

Nuclear energy helped America achieve its energy balance. Is it a balance we can keep?

The 1973 Arab oil embargo forced America to turn to alternatives to foreign oil. Reliable alternatives. America increased its use of electricity from nuclear energy and coal and began to make important strides toward energy independence.

We have since let our guard down. Oil imports are rising steadily and now rival 1973's. The implications of this foreign dependence are clear. So are the solutions.

A dangerous rise in oil imports

America imported four million barrels of oil a day in 1985. In 1986, that figure jumped to over five million barrels a day. By 1990, we will most likely rely on imports for nearly half our needs. Some say as much as 75%. Compare that to 35% in 1973.

What happens when we become too dependent on foreign sources? We lose our balance. It's the first misstep toward losing our

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energy security. In 1973, that meant short supplies, long gas lines, expensive fuels and critical damage to our economy.

A reliable supply of nuclear electricity

America has over one-fourth of the world's uranium. We have over 100 plants to convert it to electricity. According to energy analysts at Science Concepts, Inc., U.S. nuclear plants saved over two billion barrels of oil between 1973 and 1986. That's roughly one-fourth of the total amount of oil imported from Arab OPEC countries during | the same period.

And, while our use of oil and natural gas is down from 1973 levels, we now use about 45% more coal and almost 400% more nuclear energy than we did then.

Nuclear energy for a secure future

Obviously, nuclear energy can't completely replace oil here. And our own limited oil resources will force us to continue to rely on foreign suppliers. The good news is nuclear energy and coal, America's two leading sources of electricity, have helped us establish a more secure energy mix. They can help us build a more secure energy mix. They can help us build a more secure energy future.

For a free booklet on energy independence, write to the U.S. Committee for Energy Awareness, P.O. Box 1537 (USOI), Ridgely, MD 21681. Please allow 4-6 weeks for delivery.

Information about energy America can count on U.S. COMMITTEE FOR ENERGY AWARENESS

HOW GM IS TAKING THE LEAD IN QUALITY

NOT JUST WORLD CLASS - A NEW, SCIENTIFIC STANDARD OF EXCELLENCE.

People were calling the heartland of American industry "The Rust Belt." It was 1980. We said there would be an American industrial renaissance. And we meant it.

GM laid out a four-part strategy. And went to work

At the heart of the strategy is the automobile. and at the heart of the automobile is the drivetrain. We were determined to set a new standard of excellence

with the automobile in operation.

And we decided to do it the hard way. Instead of using engineering specifications or a survey method that fit well with our strengths and minimized our weaknesses, we asked you, our customer, what you want and need in an automobile in operation, what we call driveability.

Then we took the desires of the most demanding drivers, the 90th percentile, and called that standard our minimum. We said that every GM car, not just those that cost \$25,000 or more. would have to meet the 90th percentile standard

World class, which had been sufficient during the early stages of our strategy. was not a tough enough standard anymore. The GM Uniform Test Standard is a dynamic measure of excellence in engineering and manufacturing on a scale determined by the customer. It is the most rigorous test in the industry.

Across our entire 1987 production, from the Allante to the lowest priced car we sell, 96%

mission-GM is also making enormous strides toward setting new standards of excellence.

And our goal is to keep raising the standard until GM cars

stand above their competition in every category and every

price range. We've made this leap in quality here in America. In Fort

Wayne, Ind., and Linden, N.J. In Michigan and Georgia and California. We are doing it here. With the best people and

Make Your Own Comparison

We invite you to visit any GM dealer to test drive any new GM car. Compare its driveability to your demanding standards. Then compare it to any of the cars built by our competitors.

For example: Take any expensive Japanese car. with air conditioning, automatic transmission, and so on, and compare it to a medium-priced GM car. You're the customer, you decide which car has the best driveability. See for yourself how GM's vision is paying off.

> of all GM vehicles tested meet the driveability expectation of the most demanding customers -the 90th percentile.

> Here are some of the tests: After sitting out all night in low temperatures, the cars are checked for ease of starting and ability to back out of the garage and accelerate when cold. Then we check for idling at stop lights and smooth acceleration to 15, 25, 35, 45 and 55 mph maneuvers.

> Every car is checked for performance in hard braking to a stop and then accelerating into traffic. And at the same time, the transmissions are evaluated for shift smoothness, noise, and overall operation.

> When that's all done, we do it all over again under hot operating conditions.

> The result: so far in 1987. 96% of all GM cars tested meet or exceed the demanding driver's standard.

On other aspects of quality -the fit and finish of the parts other than the engine and transthe best technology in the world.

We had a vision. We believed an American industrial renaissance was possible. And it is!

We are demonstrating to our fellow Americans in industry that timidity is not the answer. Retrenchment is no solution. At GM, we say, "Go for it!" And we

The vision is paying off.

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TIME THE WEEKLY NEWSMAGAZINE

COVER: Mikhail Gorbachev pushes the Soviet Union toward a second revolution

Long used to icy adversaries in the Kremlin, Americans must now confront a vigorous and imaginative Soviet leader. He is bent on transforming his muscle-bound but backward empire into a modern state able to hold its own in the global marketplace of goods and ideas. There is reason to wish him well, but also reason for skepticism. See WORLD.



NATION: An admiral walks the plank, taking blame for the Iran-contra diversion

By claiming he did not tell the President, John Poindexter lifts some pressure off Ronald Reagan. But his testimony raises questions: Is it credible? Can policies succeed when responsibility stops short of the Oval Office? > Oliver North's pleas for the contras revive efforts to win more U.S. aid. > An administrator who inspires creativity, Michael Dukakis seeks the presidency.



SHOW BUSINESS: Artists fight AIDS with benefits, elegies and quiet heroism

Madonna gives a concert that raises \$400,000 for AIDS research. The same night, friends of Playwright Charles Ludlam, dead at 44, pay tribute to the "funniest man in America." AIDS has decimated the artistic community. Now artists are fighting back. They write AIDS plays and songs, give benefit concerts and, for those with the disease, face the future with grit and gallantry.



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The embassy war between Paris and Tehran threatens to spiral out of control. • After 38 years, Taiwan lifts martial law.

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A startling front-page correction is one sign of how Executive Editor Max Frankel is putting his stamp on the New York *Times*.

ous killers.

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Pit bulls are not had

ers are turning the

strong-jawed canines

into a breed of danger-

dogs, but sadistic own-

Dance
The Bolshoi Ballet
brings its bravura style
to the U.S. after an
eight-year absence,
but classical standards
have slipped.

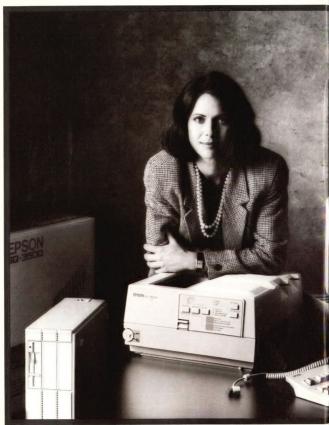
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Cover:

Illustration by Skip Liepke

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A Letter from the Publisher

ost of us start our workdays with a familiar routine: sipping coffee, logging on the computer or perhaps watering a plant. TIME's Washington Bureau Chief Strobe Talbott and Nation Editor Walter Isaacson talk to each other on the telephone. One such conversation several months ago strayed beyond the standard morning fare of news topics. Discussing Soviet Leader Mikhail Gorbachev's foreign policy initiatives, Talbott and Isaacson were suddenly struck by a tantalizing question: What effect will all this have on the cold war Associate Editor Thomas Sancton, meanwhile, was grappling with another puzzle, this one posed by Gor-

bachev's dramatic domestic reforms: Was the face of Communism changing in the U.S.S.R.? TIME's attempt to answer those two questions resulted in this week's cover stories assessing the first 28 months of the Gorbachev era.

In pursuing the project, Isaacson and Talbott journeyed to to U.S.R. for ten days of interview with Soviet officials and other citizens. It was Isaacson's first visit. "The people we met were as fascinated by the topic as we were, 'asys Isaacson, coauthor of a recent book on the beginnings of the cold war. The Wise Men (Simon & Schuster; '32.95). "Before we could pose Wise Men (Simon & Schuster; '32.95)." Before we could prose



Editor Isaacson and Bureau Chief Talbott outside Krer

our questions, they were asking us, 'Can Gorbachev succeed? What do you think will happen?' "

For Talbott, it was the 13th trip. A student of Russian since prep school days, he has served as TIME's diplomatic correspondent and has written four books on relations between the two superpowers. Early on, Talbott spotted Gorbachev as a political comer-a little too early, it turned out, "When Yuri Andropov died in February of '84," he recalls, "we had an office pool on the succession, and I put a dollar on the dark horse, Gorbachev, I lost. It wasn't until Konstantin Chernenko's death 13 months later that he got the top job."

Sancton, a former Paris-based correspondent, had watched Gorbachev in action during the Soviet leader's October 1985 visit to the French capital. "I was impressed by his immense self-assurance and his eagerness to field the thorniest questions," he recalls. "I thought at the time that this was a very different kind of leader." At the very least, we think readers will agree, the Soviet leader's actions have borne out that observation shave borne out that observation.

Robert L. Miller

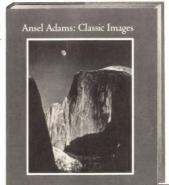
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Letters

Historic Charter

To the Editors

I thank whatever gods there be that my family and I are an integral part of the throng of Americans pictured on your cover honoring the Constitution's Bicentennial ISPECIAL ISSUE, July 61.

Karleen Home Rosaaen Tucson



We the People should never forget to give thanks to our farsighted Founding Fathers. The document they hammered out that hot summer 200 years ago has stood firm and has had a long-lasting effect on the world. It has enabled our nation to be flexible in the wake of change while upholding the rights of each citizen. Doug Willium: Topecka

Let us not toy with our Constitution. A modern-day convention would only create chaos and destroy the sublicties. Inaguage and spirit of the 1787 document. If our elected representatives cannot resolve through legislative action issues now facing us such as the deficit, a balanced budget and government waste, then how could they possibly make a success of a constitutional convention?

Angel O. Gomez Union City, N.J.

Your article on the Soviet Union's constitution states that the document grants every citizen the right to a job. Such a basic right is not to be found in ours. Chalk one up for the Soviets.

James Gardner Erickson Minneapolis

The British do not have to worry about their lack of a written constitution. They have in Parliament what is known as a question hour, which acts as a check on executive power. Our history with Watergate and the Iran-contro affair makes me think it might be a good idea for our President to appear monthly before a congressional committee to report what he

knows about this or is doing about that. We separate our governmental branches a little too much.

Alan O. Martlew Camp Hill, Pa.

The Constitution's great merit lies in tis timelines, its depth and its durability. People like Ralph Nader, the consumer advocate, and Berne Sanders, the socialdern statement of the consumer first the individual rights guaranteed by the Constitution for specific economic amendments. There is great danger in dapping ideas that may be flexing in nature. Legislative avenues are available the time introduction of new notions.

Wilmington, Del.

As an Indian who is touring the States. It welcomed your reference to the ideals that India's constitution borrowed from the U.S.'s, particularly the fundamental rights of a citizen. Many Indians as well as Americans cherish the slogan "Eternal vigilance is the price of liberty."

Eramangal A. Sivaraman.

Bartlesville, Okla.

Even though I am a Canadian. I thoroughly admire the U.S. Constitution. No other country celebrates itself quite the way America does.

Jason Beck Toronto

Metric Measure

The U.S.'s refusal to abandon the English system of measurement in favor of the metric system is shortsighted. Our stubbornly clinging to feet and pounds has a negative effect on everything from tourism to machine-tool exports. Britain. Canada and Australia have changed successfully. Are Americans any less intellisent or adaptable?

Jeffrey J. Karpinski King of Prussia, Pa.

As a 14-year-old. I think it is very important that we change to metric. especially if the U.S. is to compete with the rest of the world. Americans should give metric a chance. They would find measuring in kilometers and liters much easier than calculating in miles and quarts.

William Buchanan Lebanon, Ind.

Those III-Served

Not only did the Constitution exclude Indians (Native Americans) "flat out." but that exclusion made it possible for the Indians to be killed and their land taken from them. You are right when you say of the American Indians that their "suffering has merely slowed, not stopped." Some Constitution.

Jeanne Craig

As a citizen of the Seneca nation, I am moved to comment on your presentation of Native Americans. The Iroquois Confederacy, of which the Seneca is a member, is among the world's oldest continuously functioning democracies. In 1784 and 1794 our government concluded treaties with your government that recognize the political integrity and separateness of our nations and that grant the U.S. land on which to live. These treaties formed the political basis of the Indian nations relationship to the U.S. But beyond the political reasons for our steadfast refusal to be integrated are spiritual reasons. It is not a mistake that the creator of life put our people on the earth, gave us our languages and beliefs, and provided a model for our political organization that endures to this day. We are very clear about who we are and why we exist as part of the universe. Can Americans say the same?

Mike Myers, Executive Director Network for Native Futures Onondaga Nation Nedrow, N.Y.

It was good to see your article on the Native Americans, some of whom have made progress by participating in the conomy of their regions. The Passamaquoddy own several businesses in northren Manie, including the largest cement plant in New England. The Cherokee in North Carolina have bought a factory for making mirron. This to artacey enables the American Indians of address their unemported in the control of the control of the pendent on federal subsidies.

Tribal Assets Management Portland, Me.

Brotherly Embrace

Even if Kurt Waldheim is guilty of war crimes as alleged WowILD, July 6, he deserves to be received by Pope John Paul II. Jesus loved sinners while detesting their sins. It is the Pope's job to represent his remarkable Jew in today's complex world. The Pope has extended his emsactable level in today's complex world. The Pope has extended his emphased to the poper of the poper world. The Pope has extended his emsactable his in his native Poland. So should he embrace Waldheim.

(The Rev.) Norbert Wood Villingen, West Germany

I object to the term pariah in your story on the Pope's meeting with Kurt Waldheim. According to the dictionary, a pariah is an outcast. To use this word to describe President Waldheim. Austria's head of state, was offensive.

Elsie Allbright Gardena, Calif.

Lack of Suspicion

It is difficult to understand how the Reagan Administration, which is so suspicious of everything the U.S.S.R. says

Letters

and does, could allow the Soviets to provide both the labor and materials to build our multimillion-dollar Moscow embassy. And then when it is finished, we are surprised to find it riddled with bugs INATION, June 29]. Now Americans are asked to spend millions of dollars more to correct it. I find that amazing, incomprehensible and stupid.

Vincent A. Maggio Houston

Broken Date

Your article on Evangelist Billy Graham's response to an invitation to a joint speaking appearance in September with Pope John Paul II in Columbia, S.C. [RELIGION, July 13], needs to be corrected. At the time of publication, Mr. Graham had hoped that he could rearrange his schedule in order to accept the invitation. Regretfully, he had to decline because of a commitment made nearly two years ago to visit the People's Republic of China. The timing and final briefings for this trip, which are set to begin in September, made it impossible for Mr. Graham to participate in Columbia. Mr. Graham has always respected Pope John Paul II's strong stands for morality and justice. which have won the respect of people around the world, Catholic and non-Catholic alike.

A. Larry Ross
Billy Graham Evangelistic Association
Dallas

Cremating a Guru

It was delightful and painful to see your coverage of the Tibetan Guru Chegoam Trungpa, Rinpoche, whose body was cremated in Vermont I AMERICAN SCENE, June 221 The settly only see delightful was the kind of article Rinpoche wald have enjoyed and appreciated. On tother hand, the overage was painful because so many of us who are in siglowers apparently came off as self-absorbed and apparently came off as self-absorbed and only the season of the the season of the the season of the

Mark and Rebecca Hazell Oakland

We Americans appear to be turning into gullible fools when we give religious allegiance to so-called spiritual leaders who are promiscuous and abuse alcohol. It does not take a theological student to realize that these flagrantly wealthy, sex-ridden, fast-living "holy men" are not the real thins.

Perry de la Torre Modesto, Calif.

LETTERS TO THE EDITOR should be addressed to TIME. Time & Life Building. Rockefeller Center. New York, N.Y. 10020, and should include the writer's full name, address and home telephone. Letters may be edited for purposes of clarity or space.

When it comes to solid waste, America's policies are wanting

The little garbage barge that couldn't—find a home for its 3,00 tons of refuse, that is—ought to be declared a national morument, if not exactly a national not reasure. Although it failed in its mission at every stop along a 6,000-miled journey of rejection, the good barge Mobro, like Paul Revere, sounded an alarm, and started Americans thinking and talking about the heretofore unspeakable; the problem of solid waster discossiol waster discossiol waster discossiol waster discossion.

the problem of solid waste disposal.

The lesson of the Mobro is that America is facing a major longterm problem. As a nation, we generate a huge amount of refuse of every sort—more than 130 million tons a year—and the volume keeps growing. By the

end of the century, the amount should approach 158 million tons. For decades, Americans have burned some refuse and buried most of it in landfills. But the old standbys aren't working anymore.

landfills. But the old standbys aren't working anymore.

• Landfills are reaching capacity and closing down at a rapid rate. In New York State, 300 landfills are currently in operation. There were 1,600 in the 1960s: in New Jersey, more than 100 landfills have closed since the 1970s—and they handfield up to 90 percent of the state's waste. Only 10 are still open—and

dumping fees have risen from \$9 a ton to as much as \$98.

The problem isn't limited to only a handful of states. Even in Minnesota, with its relatively wide-open spaces, costs have gone from \$5 to aimost \$30 a ton.

The fact is, over the next decade, more than half the states will use up most of their landfills in major metropolitan areas. Some see severe problems in as little

as three years.

Ocean dumping is no solution, even for coastal states. There are questions as to how much waste the sea can take without some ecological damage. And as large volumes of industrial waste keep washing up on beaches, dump sites become ever more remote—secalating the costs.

A look at the makeup of the solid wastes Americans generate each year miles of lefer some ways to approach the problem. Thirty-seven percent, the largest portion, is paper and paperboard: Eighteen percent is waste from lawns and yards. Ten percent is glass, and a like amount is metals. Some seven percent represents fastiles, and the rest consists of a host of other materials.

In the early "Ds, recycling was heralded as the wave of the future, and garbage was vewed as an energy source when burned Today some municipalities of burn trash to generate electricity and steam, but there has been no runsh in half electricity and steam, but there has been no runsh in half electricity has desired, as which is a series of the waste could be reused. In practice, a much lesser amount of cans, newspapers, and even certain patiests a being recycled but their means trash remesspapers, and even certain patiests a being recycled but their means trash in the series of the se

Incineration may be the best hope, especially for some areas. White some environmentalists claim that burning trash may produce dioxins and other pollutants, and cause an ash disposal problem, modern incinerators practically elimante emissions. The sad fact is that the U.S. currently incinerates about three to five percent of its waste, while the ratio is 70 percent in Japan and ranges from 30 percent in 50 percent in Europe, 50 America obviously has a

long way to go.

The most important thing to recognize is that the waste problem exists, and has to be confronted. Beyond that, we urge the local, state, and deard officials who are seeking solutions to recognize that there are no heroes or villains. Every household, like every store or factory, produces its share of refuse. All should shoulder a fair share of the cost of removal. And the problem must be addressed before it can be solved in

Who knows? Technology, plus a spirit of cooperation, may even mean that vessels like the Mobro need never set sail again.

Mobil*

Nation

TIME/JULY 27, 1987

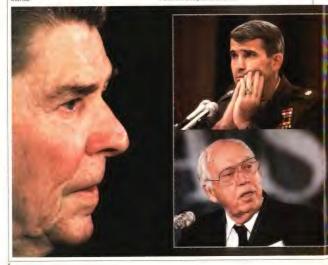
Passing the Buck

How the President's men attempted to evade accountability

At high noon on Wednesday, July 15, almost eight the state of the stat

What? No smoking gun? Does this whole wrenching affair boil down, then, to an unbridled colonel's renegade sense of duty and an enigmatic admiral's faulty notions about where the buck

The White House has tried to cast it that way. Last November it faced anjoin-fire revealations about an unlinged 15-month effort to trade arms for houseps with Iran's saturnine Ayatullah Khomein. In addition, a plane carrying American gunrunners had been downed over Nicaragua, and the Administration's flat denials of complicity were being revealed as lies. Then Attorney General Edwin Meese stumbled upon the diversion of funds from one enterprise to the other.



At last there was something tangible that the American mind knew how to address an apparent legal transgression, a scandal involving the missue of money. The diversion became a diversion offits own, distracting statention from the thornier basic issues involved. The messy, demanding job of weighing a politic politic

Not too much, at least according to Poindexter's testimony, yet now that most aff he evidence is in, the more basic questions about responsibility have become even more troubling. The Iran inan arms deals and covert course supply operations, dubious enough on their own, were part of a larger, even more insidious pattern: the establishment of a runway foreign policy that relied on lies and deceptions to function outside the rule of law, Could the buck for such an apparatus really have stopped with

John Poindexter?

The mere fact that the tranquil-looking admiral could claim that this was the case illustrates what was so dangerously wrong about the Iran-contra operation. At every step of the way, it was designed to avoid the political accountability that is at the heart of American democracy. The authorizations and findings required for the Iranian arms deals either were never sent to the quired for the Iranian arms deals either were never sent to the Contract of the Co



keep him from being damaged if the operation came to light. Unlike Oliver North, Admiral Poindexter took the spear of responsibility in his own chest. But through the testimony of both was threaded a common theme: their goal was to cast a shroud of deniability around their activities.

Deniability is an old spy masters' precept, and it made sense that North credited William Casey, the late Ltd infector, with being the mastermind of the scheme. Through the 1966s and about controversial overst operations. In an attempt in the dark about controversial overst operations. In an attempt about controversial overst operations. In an attempt of the presidents from denying responsibility for such activities. Congress in 1974 passed the Hugher-Spy an amendment requiring a signed presidential "inding" for each one and notification of mention with the control of t

in both its Iranian dealings and its contro operations. Administration officials sought to skir these restrictions. They feared congressional leaks and wanted to restore the option of deniability. This desire to avoid legal channels led them to subcontract both programs to semiprivate adventurers with secret Swiss bank accounts and murry methods of handling financial transactions. The Boland amendment restricting military and to the courser, with its shifting provisions and trantalizing loopholes, also encouraged North and others to go underground, and seeking unenumbers over civilg non couside operatives and seeking unenumbers over civilg non couside operatives and seeking unenumbers over led North and Casey to consider establishing a permanent "mini-cut" outside the presidential-findings process.

It was the ultimate irony; the laws designed to place controls on covert operations ended up spawning a covert apparatus; that was perhaps further out of control than anything before it. As the Iran and contra operations proceeded, the Administration regained deniability—a least for a while. Even after Eugene Hasenful Britan and the Administration insisted there was no official U.S. involvement. The President repeatedly denied that the Iranian deals were originally intended control to the Administration of the Administrati

If past scandals are any guide, this one will soon spaws a spate of new laws and procedures, at least some of which will create even more problems than they solve. Some have already been suggested or put in the congressional hopper. Among the proposed new requirements that covern actions be conducted by with appropriated government finds, that presidential only with appropriated government finds, that presidential the creates a support of the creates of the creates a support of the creates a

The fate of any of these reforms will ultimately depend on officials whose sense of patriotism is informed by a sincere belief in the rule of law and the workings of democracy. The refentless Inan-courie testimony has been a painful as well as prolonged process, but it has also offered up a sound civics lesson to a nation celebrating the 200h anniversary of its Constitution that America is a nation of laws, of checks and balances, and of policies that must be accountable to elected officials and ultimately the people.

Balancing a democracy's demands for public accountability with its need to conduct covert activities in a dangerous world has always been maddeningly difficult. But if the Iran-contra affair proves anything, it may be that policies able to stand up under democratic scrutiny tend to be better, even wiser, than those designed to avoid to. Operating the shadowy network that handled arms deals with Iran and funneled funds to the contrast required a prolonged sense in fles to Congress and the American people, the deposition of U.S. allies, and ideeping top Cabinet officials and personal contrast of the c



The witness puffs on his pipe during testimony that one Senator called "incredible, mind boggling, chilling"

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The Admiral Takes the Hit

Poindexter says he never told Reagan about the diversion of arms profits

the rules. As a vice admiral in the U.S. Navy, he was regarded as a painstakingly efficient officer who paid scrupulous attention to the chain of command, never challenging his superiors, always following orders to the letter. Indeed, one commanding officer characterized Poindexter as "totally loyal and trustworthy, and a thorough briefer who rarely interjected his own viewpoints." But as Ronald Reagan's National Security Adviser from December 1985 to November 1986, Poindexter told his questioners last week, he broke that pattern. In February 1986, after just two months on the job, he decided

Throughout his career, John

Poindexter had played by

to usurp the authority of his Commander in Chief.

In his testimony before the congressional committees investigating the Iran-contra affair. Poindexter insisted he and he alone save final approval to Lieut. Col-



The NSC chief confers with Reagan in 1986 His primary goal: to protect the President

onel Oliver North's proposal to take profiies from U.S arms sales to Iran and divert them to the Nicaraguan rebel forces. He claimed to have exercised this suthority without ever telling the President. so as to protect Reagan from the "politically volaroptice that the protect for the protect for the them." I made the decision." Poindexter declared in an even, matter-of-fact tone. "I was convinced that the President would, in the end, think it was a good

"I was convinced that the President would, in the end, think it was a good didea. But I did not want him to be associated with the decision."

Moreover, Poindexter said, his extraordinary exercise of authority did not end with the contra diversion. As the

motorever-crowd authority did not authority did not authority did not confirm of deviation. As the scandal was breaking last November. Pointexter testified, he destroyed a piece of vital evidence a covert-action finding, drafted by the Cta and signed by the President in December 1985, that retructive by approved Tearl's shipments of U.S. arms to the Iranians. The document, said the admiral, depicted the weapons trans-

actions as a straight arms-for-hostages swap with fran rather than a diplomatic effort to establish contacts with franian moderates, as the President has maintained." I thought it was politically embarrassing," said Poindexter of the finding. "I tore it up, put it in the burn basket behind my desk."

the President's supporters, Poindester's confession was a turning point in the Iran-contro melodrams, resolving on the Sensial issues of the scandal. There would be no evidence directly linking. Reagan to the ugly and possibly unlawful use of money garnered by selling weapons to terrorists. While the White House staff breathed a sign of relief over the admirat's disclosure. Reagan at first that?" he shrugged. "I've been saying that for seven months."

But Poindexter's testimony still has devastating implications. If the admiral is to be believed, his story reveals a startling lack of accountability in the White House. "If the President didn't know, in some ways it's more serious than if he did," said House Majority Leader Thomas Foley. "Presidents ought to be allowed to create their own political disasters," said Republican Senator Warren Rudman of New Hampshire. "Nobody else ought to do it for them."

Was Reagan's famous management style so lax that his newly appointed National Security Advisor could feel free to run a highly sensitive covert operation without ever informing the President or any of his colher top advisors? White House aides rejected the idea. The President of the country of the country of the country of the diversion. Asserted Chief of Staff Howard Baker. The President has suit her in the country of the

stuck to his story that Reagan would have approved his decision. "People can draw their own conclusions. I guess," he said.

To some members of the Iranscam committees, Poindexter's testimony simply did not wash. "I just don't helieve what he says," remarked Democratic Congressman Louis Stokes of Ohio. "It does not appear logical that a man of his intellect and management skills would arrogate unto himself the responsibility of making a monumental decision affecting the President."

In fact, the self-portrait drawn by the admiral last week did not appear logical in several respects; the maval officer known for his lack of political savery making a crucial political judgment call; the strict by-the-book staff man reborn as a renegade who followed his own lights in deciding what Reagan should and should deciding what Reagan should and should consider the self-political staffer. This man wants you to believe that he risked the entire



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presidency on a set of decisions he thought were either too controversial or too unimportant to belabor the President with." Senate Panel Chairman Daniel Inouye called Poindexter's testimony "incredible, mind boggling, chilling.

The performance fueled rather than stilled speculation in Washington that Poindexter was the Administration's designated scapegoat for the scandal. In earlier testimony North, who was Poindexter's hyperactive aide at the NSC. claimed he and Director of Central Intelligence William Casey had often discussed the intricacies of the Iran-contra operation. According to North. Casey said the Marine might have to play the "fall guy," taking blame for the entire op-

eration if it was ever exposed. On further consideration. Casey speculated that North might not be "senior enough" to make a credible scapegoat: the CIA director suggested Poindexter would have to share the role

Poindexter testified that he had never heard of any scapegoat plan. But some thought the admiral was indeed falling on his sword for the sake of Ronald Reagan. "This man will never say anything that reflects adversely on his Commander in Chief," said Senate Counsel Arthur Liman. "How do we know he's not still protecting the President?"

Poindexter, 50, related his amazing tale in ordinary, conversational tones, then broke out his pipe and lit up, as if he had come to the end of an after-dinner story He matter-of-factly told the panel of the day in February 1986 when North said he had found a way to fund the contras with profits from the arms sales to Iran. At the time the rebels were running out of the \$27 million in humanitarian aid the U.S. had granted them in 1985. Poindexter saw the diversion scheme as a way of providing "bridge financing" for the contras while the Administration strug-

gled to persuade Congress to approve a \$100 million aid package. "I thought it was a neat idea too," Poindexter said, echoing North's description of the deal.

Poindexter recognized that the diversion would be as controversial as it was neat. Thus, he said, he approved it without informing Reagan, in order to "provide some future deniability for the President if it ever leaked out." Poindexter argued that in authorizing the deal he was not making policy; he was only carrying out Reagan's established objectives. "My role was to make sure that his policies were implemented," said Poindexter. "In this case, the policy was very clear, and that was to support the contras." After working in the White House since June 1981, he said. "I was convinced that I understood the President's thinking on this.

Poindexter contended that during daily briefings he reported to Reagan "in general terms" on the status of the contras. He said he told the President of North's "instrumental" role in helping sustain the rebels, filling Reagan in on the secret airstrip built in Costa Rica by North's contra resupply network. The admiral said that while the President knew the rebels were being supported by private donations and contributions from third countries, he never asked where precisely the money was coming from. "The President ... is not a man for great detail," said Poindexter, inadvertently pro-

voking chuckles from the audience. Poindexter insisted that he never discussed the diversion with any Adminis-

Poindexter said he cautioned North against putting any information about contra support on paper. Nevertheless. North testified that he sent Poindexter five memorandums, each outlining the details of a specific transfer of arms proceeds to the contrus. Each paper recommended briefing the President and seeking his approval of the transaction. North said he never knew if Reagan saw the memos, but he shredded all his copies of the documents when he learned that the arms deals might come to light. One memo, however, escaped the shredder and was discovered by investigators from the Justice Department.

Poindexter not only denied showing Reagan the surviving memo but said he



"The policy achieved none of the goals it sought. The Ayatullah got his arms, more Americans are held hostage today than when the policy began. subversion of U.S. interests throughout the region by Iran continues."

CONGRESSMAN LEE HAMILTON



"It's kind of the world turned upside down that a subordinate takes responsibility for superiors...Superiors are supposed to take responsibility for subordinates."

CENATOR WARREN BUIDMAN



Though Poindexter had the gumption to authorize the diversion, he seemed not to want to know too much about the deals: he testified that he never asked North how much money was being diverted to the contras; the admiral, known for his attention to detail, said he was not concerned with such bits of "micromanagement



could not recall receiving any diversion memos from North. Under questioning by Liman. Poindexter said that even North had sent him the memos, he would not have discussed any aspect of the diversion with the President; he had made a "deliberate decision" not to do so

The first time the admiral could remember seeing the infamous diversion memo at all was when Meese directly confronted him with it last Nov. 24. Poindexter said he promptly offered to resign: on the following day the Attorney General instructed him to do so. Strangely, however. Meese never asked Poindexter who approved the transfer of arms profits to the contras. Nor did White House Chief of Staff Donald Regan question Poindexter about the diversion.

An incredulous Liman asked the wit-

trade of arms for the release of Americans being held hostage in Lebanon. The paper would be superseded in January by a finding that explained the weapons sales and freedom for the hostages as part of a broad initiative to re-establish diplomatic ties between the U.S. and Iran. Poindexter said he had forgotten about the year-old document until his aide handed it to him last Nov. 21. Moments later Poindexter ripped it up and had the scraps incinerated. Explained the admiral: "I simply didn't want this document to see the light of day."

Poindexter was not alone in forgetting the 1985 finding. Last winter Reagan told the Tower commission that he had approved the initial Hawk shipment before the fact. The President later told the board members that he had had no prior

adhering to the letter and spirit of the law. How so? "By keeping the other departments that were covered by the Boland amendment out of the issue.

· After North successfully convinced members of the House Intelligence Committee that he was not involved in covert support for the contras in 1986. Poindexter sent his aide a computer message saying. "Well done." House Counsel John Nields asked Poindexter last week if he had authorized North to lie to Congress. The admiral replied that he did not instruct North to lie, only to "withhold information

North testified that Director Casev had hoped to use some of the profits from the Iran arms sales to set up a secret account to finance covert operations without congressional oversight. Poindexter said he had never heard such a plan discussed "in

that depth." He added, "It's an idea that has some attractive features in my mind."



"It's hard to imagine anything that would give our allies more cause to consider us unreliable than that we say one thing in public and secretly do the opposite. And that's exactly what was done when arms were sold to Iran, and arms were swapped for hostages."

SENATOR GEORGE MITCHELL



"I don't want you prosecuted. I don't think many people in America do. And I think there's going to be one lot of hell raised if you are."

SENATOR ORRIN HATCH

ness why he did not say. "I. Admiral Poindexter, made the decision and did not tell the President of the United States." Poindexter's lame reply: although he gave the notion "a lot of thought," he waited to consult his attorneys. The result, as Senator Rudman pointed out, was "the agony that we've had for the last eight months' as Reagan was battered with questions about his role in the scandal.

At the time of the Meese inquiry, Poindexter said, one of his aides turned up a finding that authorized U.S. facilitation of a November 1985 sale of 18 Hawk antiaircraft missiles from Israel to Iran. Poindexter testified that he watched Reagan sign the document on or about Dec. 5. 1985, his first day as NSC chief. The problem with this finding, said Poindexter, was that it depicted the transaction as a

awareness of the transaction. Finally, he wrote a note to the Tower board saying. "The simple truth is I don't rememberperiod." After Poindexter's disclosure last week, the President still said he does not remember signing the finding Many sections of the admiral's testi-

mony were marred by evasive answers. confusion over details and awkward twists of logic. Among Poindexter's other significant revelation

▶ Unlike Robert McFarlane, his prede-

cessor as National Security Adviser, Poindexter said he did not feel that the NSC staff was covered by the Boland amendment, which prohibited assistance to the Nicaraguan rebels by U.S. military or intelligence agencies. Although the NSC directed the contra-resupply network. Poindexter told Congress that his agency was

he vigorous, outspoken North had provided a stark contrast to his seemingly unflappable NSC boss during his six days of sometimes impassioned testimony. By the time North left the witness chair last Tuesday, he had been transformed into an international celebrity. But in his final hours on the stand, the Marine who had offered the committee lengthy discourses on patriotism and geopolitics got a dose of his own medicine. Most of the 26 panel members lectured North on his flawed view of democracy and the significance of the scandal. Senator William Cohen, a Maine Republican, criticized the colonel and his associates for attempting to act on a contra policy that did not have the support of most Americans. "A democracy demands not only that the rights of the minority be respected." said Cohen, "but that the rules of the majority be respected. And that's true even if you and I believe the majority is wrong.

Indiana Democrat Lee Hamilton, chairman of the House panel and a widely respected student of

foreign affairs, summed up the serious implications of the scandal with special eloquence. "I am impressed that policy was driven by a series of lies," said Hamilton in a soft, steady baritone. "Lies to the Iranians, lies to the CIA, lies to the Attorney General, lies to our friends and allies, lies to the Congress and lies to the American people." Hamilton reminded North of one of Thomas Jefferson's credos: "The whole art of government consists in the art of being honest. Poindexter's testimony revealed even

more layers of deceptions obscuring what really happened in the tortuous Iran-contra affair. After the admiral's dubious story, members of the investigation may suspect that they will never hear the full truth about the scandal. - By Jacob W. Lamar Jr. Reported by Michael Duffy and Hays Gorey/ Washington

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But Was It a Crime?

North and Poindexter may soon face charges



When Oliver North, Robert McFarlane and John Poindexter appeared on Capitol Hill, the prospect of indictments loomed over them. ore Poindexter testified last week.

Even before Poindexter testified last week, his lawyer announced that the rear admiral was already the target of a criminal investigation. If any of the central figures are in fact indicted, what charges are they likely to face?

In exchange for their testimony, North and Poindester were promised that only evidence gathered independently of their congressional appearances could be used against them in criminal prosecutions. Independent Counsel Lawrence Walsh, who has been seeking such eviddence, ordered key staffers not to watch the hearings, to avoid being tainted by pro-

tected testimony

Many believe Walsh will begin handing up indictments as early as next month. But some prosecutors question whether the independent counsel can win convictions, particularly after the outpouring of sympathy for North. Observes former Watergate Prosecutor James Neal: In Watergate, "serious criminal statutes were involved. Officials were obstructing an FBI investigation, there was a 'smoking-gun tape, the White House was paying burglars to keep quiet. Here, everything is murky." Attorney Arthur Christy, a former special prosecutor who investigated charges against Jimmy Carter's aide Hamilton Jordan, also doubts that convictions can be achieved. Says he: "A good prosecutor might convince some jurors that North broke the law, but I doubt he could get twelve

Others sharply disagree. Says Scott Armstrong, executive director of the National Security Archive. a nonprofit research institute: "The independent counsel has taken testimony from accountants and underlings that makes the case look different and the motive more sinister."

Based on testimony so far, criminal charges could be brought on more than half a dozen actions. Among them:

Obstruction of Justice. Destroying evidence in advance of an investigation by Justice Department attorneys could fit the definition of obstruction. Shredding sensitive Government documents (which North said was done to protect lives and U.S. secrets) could also result in a charge of destruction of Government property.

Lying to Congress. McFarlane. North and Poindexter have admitted that they chose to mislead Congress in letters and statements about their activities in support of the contras. Although North was not under oath when he gave false testimony, all

three men could be charged with making false statements to a Government agency.

Conspiracy. A broad-gauged section of the U.S. Code makes it acrime to conspire to defraud the Federal Government of police to efforts to interfere with the proper functioning of any Government agency, siphoning off arms-sales profits that may have belonged to the U.S. procedures, and the jumble of other Compositions, and the jumble of other deeper of the Composition of the Composition of the Composition of the proper deductions claimed for contriburoper deductions claimed for contriburoper deductions claimed for contribu-

The much discussed Boland amendment, which prohibited military aid to the contras, does not carry criminal penalties, but a conspiracy to violate it could be con-

sidered criminal

sudered criminal.

Ultimately, the fate of North and the others rests with the contents of sead envelopes of evidence that Walsh filed with the U.S. district court in Washington before the major witnesses began their before the major witnesses began their dence is presented, public reaction will not count for much. As former Watergate Prosecutor Richard Ben-Veniste upus it, "The criminal law is not a beauty contest."

Reported by Assec Censtable // Washington



Independent Counsel Lawrence Walsh He hasn't watched the hearings.



Secret Sharers

How much does Congress leak?



"We have had incredible leaks from discussions with closed committees of the Congress," charged Lieut. Colonel Oliver North in his

testimony before the Iran-contra commistess. Later, former National Sezurity Adviser John Poindexter complained that divulging secrets-has become an art form in this city to help influence policy." One cason the Reagan Administration conducted the Iran-contra operations so secretty was its fear that if Congress learned of the activities, it would go public with them and create a national furor.

Last week the Administration thought it had found a prime example of loose tongues in Congress: it denounced the disclosure by Democrat Les Aspin, chairman of the House Armed Services Committee, that the first Kuwaiti tankers to fly the U.S. flag would take to sea this Wednesday. Aspin replied sharply that this detail had not been classified and that Senate Republican Leader Robert Dole had also mentioned it. Moreover, both Aspin and Dole had been briefed by Defense Secretary Caspar Weinberger and Admiral William Crowe, Chairman of the Joint Chiefs, who made no claim that the date of the first sailing was classified.

Even so, leaking is 'indeed a classic tool in the hardscrabble world of Washington politics. Congressmen, who are generally given only the outlines of a co-position to a secret activity without actually exposing it. Intelligence officials, on the other hand, leak for a wider variety of moutives: to support or reshape an operation (such as assistance to the Afghan guerril-their political position.

Veteran Washington correspondents

terun wushington corre



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report that officials in all recent Administrations have leaked classified information far more frequently than have the Senate and House Intelligence Committees, which under haw must be informed of it "pure nonsense" to suggest that all such leaks come from Congress; he cited the White House staff, the National Security Council staff and the Departments of State and Defense as other frequent

That does not mean, of course, that Congress is without sin. Republican Senator David Durenberger, former chairman of the Senate Intelligence Committee, was sharply criticized in March for telling a Jewish group in Miami that the CIA had recruited an Israeli army officer to provide classified information on Israeli forces during the 1982 invasion of Lebanon. He made this slip during the uproar over the life-imprisonment sentence imposed on an American, Jonathan Jay Pollard, who was caught spying for Israel. In a 1983 incident, members of the Intelligence Committees commented publicly on U.S. and CIA support for the Nicaraguan contras. Administration officials had talked about the subject so often that the Intelligence Committees decided that it was no longer a secret matter.

Durenberger, on the other hand, contends that he has counted "hundreds" of Administration leaks. Notice of some 50 or more covert actions has been sent to Capitol Hill by the Reagan Administration, which has not identified a single one that was exposed.

The major leak cited by North occurred, by his account, on April 14. 1986, when two Senators went directly from a White House briefing to waiting microphones and told the nation that the President would discuss an impending U.S. attack on Libya that night. That, claimed North, gave Libya time to get its antiaircraft defenses set and led to the

death of two American airmen shot down in their bomber

North's charge sounded plausibleuntil Senator Daniel Inouve neatly shredded it. One of the two Senators, it turned out, had said "No comment" when asked by TV reporters about a possible Libya raid. The other had merely advised people to tune in the President. Inouye cited a series of press stories, all based on Administration sources, that had been predicting such a strike for more than a week. So widespread were the Pentagon tips that dozens of correspondents had traveled to Tripoli to await the air strike. Moreover, the Pentagon has never established whether the F-111 bomber was downed by enemy fire or had ditched in the sea before coming in range of Libvan guns.

Ironically, the Wall Street Journal benefited last week from an entirely different kind of leak. A top national security official told the paper that "Ollie was the biggest leaker in this Administration."

It Ain't Over Till It's Over

North's pleas have given new impetus to contra-funding efforts

Lieut. Colonel Oliver North spent nearly three years co-ordinating arms purchases and helping to raise money for the contra rebels fighting

for the contine rebels fighting in Nicaragua. But none of North's secret activities may prove as vital to the rebels committees. As millions of Americans watched on television, North pleaded passionately for support of efforts to over-throw. Nicaragua's Marasta Sandinitias has patiented fund-raining pitch, minus the projection of 57 sildes that usually accompany the spitel. Holding a photograph of a makeshift contra grise. North, his voice we've got to offer them something more

5,000 last December. Last veck the contract announced that 500 soldiers attacked and an announced that 500 soldiers attacked and at San Josed & Bocay in north-eartnal Nicaragua. Although the Defense Ministry in Managua announced fewer cassallut shan contract and a much less successful assault than contract leaders claimed, the insurgents said it was their biggest victory since the rebellion began ask years year. Centre millitary progress could help swing moderate learmakers in favor of continued funding when the issue

Yet opponents remain confident that Congress will refuse to renew the funding. "Even after six days of Oille North, there is still no clear majority in favor of contra aid," said Michigan Congressman Dave, chief deputy Democratic whip. "I





Slides from Ollie's show-and-tell: a mighty military machine vs. a fallen freedom fighter

than the chance to die for their own country and the freedoms that we believe in."

Ollie's salesmanship provided the opportunity for long-demoralized contrabackers at the White House and State Department to mount a new campaign for aid. As a Washington Pour! Ask. News poll aid. As a Washington Pour! Ask. News poll aid to the comrar one to 48% on July 15, from 29% on June 1. White House Spokensom Martin Filtewater called North's testimony "helpful." President Reagan echoed North in his weekly radio commentary "The American people are titled of the offi-

The Administration may soon ask Congress to approve long-term aid to the contras of perhaps \$150 million over 18 months, up from the \$160 million narrow-ty okayed last fall for fiscal 1987. That would keep the rebels in beans and bullets until Ronald Reagan leaves office.

The contras' efforts in the field have also given a boost to their cause. The Administration says the rebels have put nearly 15,000 soldiers inside Nicaragua, up from think we have an excellent chance of cuting offaul "Predictions of a complete outing offaul" and "Predictions of a complete outoff were widespread last fall when it was

for the complete outing the complete outbeen circumventing congressional restrictions on support for the robels. But lawmakers now admit that any new aid packger must be considered apart from the
scandal. "With North's testimony, there's
obviously a mood in Congress that the issue
of contra aid needs to be handled on its
merits," admits California Democrat Leon

merits," admits California Democrat Leon

Panetta, a contra opponent.

Democrats are particularly sensitive to North's complaint that Congress has been a fickle patron of the rebels. One compromise may be to approve continued economic aid for Central American military aid than the President requests. Another would be to approve "phase-out" funds to approve "phase-out" funds



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As more and more airlines compressed flight times, and the number of flights grew, the number of late arrivals skyrocketed. American Airlines thinks

enough is enough.

Trats why we've adopted a new policy We will publish only realistic flight schedules. Schedules based on the time it actually takes to fly a given route. Schedules that you can count on.

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We can't control the Air Traffic Control system.

While we're doing everything in our power to recluse the number of flight delays, there is one important factor over which we have little control. The Air Traffic Control system. Today there are 1.1 million more flights annually than there were three years ago. Unfortunately, the Air Traffic Control system has not grown fast enough to efficiently handle the increased number of flights. This has resulted in a record number of flight delays.

The Department of Transportation agrees.

The Department of Transportation has also decided that enough is enough.

It has recently announced a decision to invest heavily in upgrading the Air Traffic Control system with more controllers and new, updated equipment.

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t Seem Like Flight Is Late?

Nation

CAMPAIGN PORTRAIT

The Duke of Economic Uplift

Mike Dukakis has a governing passion



Claiming credit for his state's New Age affluence. Massachusetts Governor Michael Dukakis has been fast gaining ground in the Democratic presidential race. This is one of a series of occasional profiles of major 1988 contenders.

It was one of the most grueling, yet exhilarating days of Michael Dukakis' presidential campaign. For 18 hours the Massachusett Governor barnstormed across eastern. Texas, drawing attentive crowds and displaying his fluency in Spanish and Greek. Now, after midnight, Dukakis stoed with his exhausted 18-year-old daughter Eran on the airport tarmare in Dallas. For the first time all day.

the candidate noticed that Kara was teetering on high heels. "Why do you wear those foolish shoes?" he asked, baffled that his child would choose fashion over function. "Why don't you wear running shoes or something sensible like that?".

Sensible is what Michael Stanley Dukakis. 53, is all about. If he were a magazine, it would be Consumer Reports. Dukakis is a man who cannot recall the last novel he read; he once took on a family vacation a book entitled Swedish Land-Use Planning. In his high school yearbook he is facetiously depicted as "Big Chief Brain in Face." He can wax ecstatic over finding a pair of \$47 shoes in a discount outlet, and has owned just four cars in the past quarter-century: a Rambler, two Plymouths and the current 1981 Dodge. "My wife says I'm the most uncomplicated man in the world." Dukakis ad-mits. "I guess I am." Even his 83year-old mother says of him. What you see is what you get.

What you see is what you get."
What you see is a compactmodel candidate, 5 ft. 8 in. tall, with a
mop of dark brown hair just beginning to gray at the temples, caterpillar-thick eyebrows and an aggressive Grecian nose tempered by a

soft almost shy smile. But in the Democratic presidential race Dukakis is as hot as a Friday-night traffic jam heading for Cape Cod. Ever since he unveiled his long-shot candidacy in March, Dukakis has been running like a modern-day Hermes in wing-tip-shoes. He inherited most Gray Hart's lowa organization, raised a record \$4.2 million in three months, and was judged by the keepers of the conventional wisdom as the winner of the Houston debate:

In his bargain-basement suits and button-down, short-sleeve hirts. Dukakis offers the Democrats neither charisma nor quixotic causes. Instead, he is running as the Lee Jacocca of state government: the Governor who brought the Massachusetts economy back from the dead. True, a Harward study concluded that, at most, state government "may have helped sustain the growth once it began." And even Frank Keefe. Dukakis' secretary of administration and finance. claims only that the Governor's policies are responsible for 20% of the drop in state unemployment.

But as a candidate Dukakis radiates a far more simplistic version of cause and effect. "I speak to you as the Governor of a state which twelve years ago was bouncing around at the bottom of the barrel." he said in Tipton, Iowa. "Twelve years later we have a 3.5% unemployment rate, and we're now an economic showcase. How did it happen? Because we worked at it. We invested public resources, we got the private sector in; we involved citizens, mayors, business people."

Dialasts believes he has found an answer to the Democratic Part's desperies search for a post-New Deal ideology liberalism on the cheap. He offers the traditional vision of "economic opportunity" and "full employment." The difference is that Dualasts insists that these goals can be achieved largely by rechanneling existsing federal resources. As a candidate, he resists putting price tags on programs: "I don't think you have to prepare a budget, for Goa's acke." But even Dualasts' showes proposal—a regional-development fund that he mentions in almost every speech—would cost as a few of the proposal control of the proposal c

There is another element in the Dukakis campaign, one that is politically more problematic. With Mario Cuomo on the side-

lines. Dukakis, the son of Greek immigrants, is the only claimant to give-me-your-tired-your-poor eth-nicity. But this first-generation heritage can also make Dukakis seem like a political outsider, especially in the South. Introducing him at a speech in Gorpus Christi. The control of the c

Five years ago, in his comeback race for Governor, Dukakis had to be coaxed into talking at all about his father Panos, who died in 1979, and his mother Euterpe. Now he revels in it. "Each of my parents is an American success story," Dukakis boasts in his standard stump speech. "My father, eight years after he came to this country as a 15-year-old Greek immigrant, was entering medical school My mother was the first Greek girl ever to go beyond high school in Haverhill, Mass."

Buried within this autobiography is the portrait of a family that belies easy ethnic stereotypes. By the time Dukakis was born, in 1933 (three years after his brother Stellan), the family was living the portrait of the properties of the stellan. The

comfortably in the prosperous Boston suburb of Brookline. The Dukakisses were, by all accounts, demanding parents. Sandy Bakalar, Mike Dukakis' high school girlfriend, remembers Panos as "scary." She recalls, "the had high standards for the box, strict high standards. They had a very structured life at home. They had specific responsibilities."

This stern upbringing owed as much to New England Puritanism as it did to Greek ethnicity. Dr. Nicholas Zervas, a close friend of Dukakis', describes Euterpe asa "really patrician woman. She would have made a wonderful Brahmin." Unlike many immigrant families, the Dukakises were not religious, supporting the Greek Orthodox Church primarily for cultural reasons. If



An administrator who fosters ideas and learns from mistakes

anything, the family was governed by what Bakalar calls the "quintessential Protestant ethic. Whatever gifts you received, you had to give back. They really believed that money corrupted.

Mike Dukakis thrived under this demanding regimen. At Brookline High he was president of the student council and lettered in three sports: cross country, tennis and-believe it or not-basketball. As a senior in 1951, he ran the Boston Marathon and finished 57th. But his brother Stelian had a nervous breakdown while a sturecovered but never com-

pletely. There was always a certain amount of instability there." Dukakis says. "Nevertheless, he was my brother and we were very close, even though at times it was a difficult situation to deal with." Stelian was killed by a hit-and-run driver in 1973.

n this era of generational politics. Dukakis is very much a product of the 1950s. He followed a predictable careerist path: Swarthmore College, peacetime service as an Army private in Korea (he studied Korean to break the tedium of barracks life) and Harvard Law School. Even at Swarthmore, recalls Dr. Richard Burtis, a classmate, Dukakis talked about his ambition to be Governor of Massachusetts. Small wonder that as a young lawyer he plunged into Brookline politics with a vengeance, engineering a good-government takeover of the town Democratic committee and then building an organization to expand the fight statewide. There was a strong element of social class to the struggle: well-educated reformers rebelling against old-line Irish ethnic politics. Elected to the state legislature in 1962, Dukakis radiated disdain for backslapping and favor trading while zealously championing causes like no-fault auto insurance

When Sandy Bakalar arranged a date for Dukakis with her friend Katharine Dickson, she felt compelled to explain, "She's

Jewish, divorced and has a son by her first marriage." The two clicked immediately. "I found him very sexually attractive," Kitty Dukakis laughs. "People don't think of Michael that way. That's why it's fun to talk about it." Friends say Dukakis' parents were initially resistant to the match, and suggest that his marriage to Kitty in 1963 may have marked his true break with his Greek immigrant

Michael and Kitty Dukakis are almost a comically exaggerated study in contrasts: he is reserved, analytical and parsimonious, while she is warm, emotional and a bit extravagant. They raised three children: John Dukakis. 29. Kitty's son from her first marriage: Andrea, 21, who just graduated from Princeton; and Kara. John, now running the Dukakis campaign in the South, sees a gradual softening in his father's demeanor: "My mother has really helped him to express that it's not an invasion of privacy to show people that he cares for them.

After a failed race for Lieutenant Governor and a stint as moderator of the PBS television show The Advocates, Dukakis achieved his boyhood ambi- High school yearbook: "Big Chief Brain in Face"



dent at Bates College. "He Campaigning in New Hampshire: liberal goals within existing resources

tion in 1974 by mobilizing a statewide army of volunteers. Massachusetts had never seen a Governor like the "Duke": riding the trolley to work, insisting on dinner at home with his family and bursting with plans and programs. The honeymoon lasted just six months, until a \$500 million state deficit forced him to rescind his "ironclad" pledge not to raise taxes. Dukakis, who viewed governing as a clash of abstract ideas, quickly developed a reputation for arrogance. "We were a bunch of bright young technocrats," calls a veteran of that troubled first term. "We

were brighter than anyone else and not embarrassed about showing it." The political damage was fatal: Dukakis was upended in the 1978 Democratic primary by a conservative named Ed King, just the type of Irish politician he had always scorned

That defeat was Dukakis' personal Bay of Pigs. John Dukakis remembers visiting his father in the statehouse the day after the primary and watching him sit in a rocking chair and stare sadly out the window. "I don't think he slept for the next four or five days," John recalls. Even now. Dukakis describes that political setback as the "most painful thing that ever happened to me in my life." Disdaining the practice of law and a probable sixdigit income. Dukakis joined the faculty of the Kennedy School of Government at Harvard. It was an ideal place to reflect, a colleague recalls, "a place where he had to face the hard reality of what he had done and failed to do.

Re-elected in 1982 and then by a landslide in 1986. Dukakis was a politician transformed. The new watchword was consensus. "Now he doesn't jump until he's sure he's touched all the bases, says Frank Keefe, who served in all three administrations. "But the differences are mostly style. The elemental Mike Dukakis stays the same." Some in the legislature wonder if Dukakis and his aides really listen, even today. "They're very sure of their policies,"

says a Democratic critic in the legislature. "And they now listen politely until you demonstrate your own lack of understanding

The second-chance Governor can point to laudable accomplishments: an education and training program that has provided jobs for more than 30,000 welfare mothers, a tax-enforcement and amnesty program that raised \$900 million in three years, and innovative public-private partnerships to spur balanced economic development around the state. Yet Dukakis' strongest suit may simply be his record as an administrator who inspires creativity, closely monitors performance and eventually learns from his

But a presidential campaign should illuminate character and vision as well as provide an account-book ledger of a candidate's record in public office. Michael Dukakis has always resisted baring his soul in public. As Zervas says, "The guy has a very tight control on his feelings. Nobody knows what's going on underneath." Reaching within himself to unravel that mystery may be Dukakis' toughest challenge as he runs the longest race of his career. -By Walter Shapiro



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Congress Goes Home Again

In Philadelphia, the legislature celebrates its conception

f the U.S. Congress can be said to have a birthday, it must be July 16, 1787, when a Great Compromise brought the bicameral legislature into being. Two hundred years later, 25 Senators and 181 Representatives rolled north from Washington on a special 14-car train to a red-white-andblue-buntinged Philadelphia in honor of the occasion. The original event at the Constitutional Convention was the resolution of a big state-little state fight that, presto, gave states equal standing in the Senate and strength reflecting population in the House. The anniversary proved a high point of Philadelphia's occasionally turbulent Bicentennial festivities

lied a block from Independence Hall for a lesbian and gay bill of rights. police on foot and horseback assiduously enforced a federal judge's ruling that demonstrators could be heard but not seen: their constitutional rights did not include marching within sight of the main celebration. Hundreds of National Park Service rangers, Philadelphia police and U.S. Capitol police set up barricades and used metal detectors to check all visitors.

The ceremonies were split between Independence Hall and Congress Hall where the first federal lawmakers met. If any theme emerged from the speechifying, it was that the capacity to produce the ironies and injustices embedded in the Constitution. Philadelphia Congressman William H Gray who is black recalled that one direct legacy of the Great Compromise was the provision demanded by sparsely populated Southern states that each slave be counted as three-fifths of a person for purposes of representation. But because the framers knew the inevitability of justice . . . " said Gray, "this nation has made such progress."

Later the visitors from Washington gathered for dinner in a special pavilion constructed by We the People 200 Inc., the organization that has produced Philadelphia's yearlong celebration of the Constitution's Bicentennial. The dinner was delayed for half an hour while police investigated a suspicious-looking box discovered on the pavilion roof. The box contained only tools left behind by a construction





In Congress Hall, a song for lawmakers

Although the celebrators' attention was officially on the past, circumstances kept wrenching it back to the implacable present. Louisiana Congresswoman Lindy Boggs, resplendent in red, presided over solemn ceremonies in stately Independence Hall, while not far away some 100 supporters of the National Organization for Women demonstrated for an Equal Rights Amendment, chanting, "Hey! Hey! What do you say! Ratify the FRA!" While speakers redundantly eulogized the Constitution, Senate Majority Leader Robert

C. Byrd, alluding to disclosures of the Iran-contra abuses, cautioned against "habits of power that are inherently undemocratic and unconstitutional

In spite of tensions, the agenda of costumed pageantry, fifeand-drum music, jet overflights and solemn oratory came off with scarcely a hitch, thanks in part to security arrangements so heavy that when the congressional special rolled into Philadelphia's 30th Street station, eight or so diners found themselves imprisoned for 15 minutes in a nearby McDonald's after police blocked all the restaurant's exits. When 600 demonstrators ralsuch conciliatory agreements as the Great Compromise may be the genius of the American system. House Speaker Jim Wright praised the "art of honorable compromise," adding a mild rebuke to the likes of Oliver North for ignoring congressional strictures: "Laws hammered out upon the blacksmith's forge of compromise have commanded observance from even those who disagreed with the wisdom of the laws. And that is what real patriotism comes to."

The dignitaries could hardly overlook

In the nearby streets, the turmoil of the implacable present onstrators could be heard but not seen.

worker. At that discovery, police gave a sigh of relief.

Indeed, Philadelphia as a whole and We the People 200 in particular were relieved when the congressional celebration had come and gone without any major incident. Ever since the Bicentennial year arrived, Philadelphia's efforts to celebrate-and exploit-the occasion have been marked by bickering within the organization, unrealized expectations, canceled corporate funding and laggard public support.

For a parade slated for Sept. 17, sponsors have purchased only six of 30 floats the promoters hope to sell. In May, only about half of the expected 13 Governors bothered to show up for the celebration commemorating the convening of the Constitutional Convention in 1787. We the People 200 itself proved so squabblesome that a complete change of management was required. But last week something finally went right. Summed up one Philadelphian, Stephanie Viola: "I got goose bumps all over. That's what you call a real patriotic day " - By Frank Trippett, Reported by Margaret Kirk/Philadelphia

American Notes







Justice: Lyn Nofziger

Air Force: an early sketch of a Stealth

JUSTICE

Conflicts of Interest

While three of Ronald Reagan's former aides were being grilled on Capitol Hill, two others were enduring rough treatment in the courts.

Onetime White House Political Director Lyn Nofziger was indicted last week on six conflict-of-interest charges by a federal grand jury in Washington. Within months after Nofziger left the Administration in January 1982, the grand jury said, he lobbied the Administration on behalf of the National Marine Engineers' Beneficial Association, the Fairchild Republic Co. and the Wedtech Corp., which is accused of paying off public officials in exchange for lucrative no-bid Government contracts Nofziger was indicted under the 1978 Ethics in Government Act, which prohibits high public officials from lobbying their former agencies for one year after leaving their posts. If convicted, he could face up to twelve years in prison.

In Washington's federal district court, meanwhile, Judge Thomas Penfield Jackson postponed until October the perjury trial of another onetime top Administration official, former White House Deputy Chief of Staff Michael Deaver. Deaver is accused of lying to a congressional sub-committee and a federal grand

jury about his lobbying activities; Jackson put back the trial to settle the issue of whether prospective jurors should be questioned in public or private.

REPUBLICANS

Not Quite So Grand

The Republican National Committee, which has been dizzyingly prosperous in the Reagan era, has suddenly fallen on leaner times. Faced with a \$3 million shortfall in its \$38 million annual budget, the committee last week laid off 40 of its 275 employees. Donations are down, say G.O.P. fund raisers, as a result of the Irancontra scandal, disappointment with the Republican loss of the Senate last fall, and too many aspiring presidential candidates trolling for money from the same supporters.

But by Democratic Party standards, the Republicans are hardly bereft. The Democratic National Committee's budget for this year and next is only \$21 million.

AIR FORCE

The Stealth's Soaring Costs

Still smarting over glitches in its newly activated B-1B bomber, the Air Force is now catching flak over its aircraft of the future, the radar-elusive Stealth bomber. Congressional critics say that technical and anangerial problems are exponentially raising the project's cost. A reported \$8 billion will be spent on the plane before it enters production early next year, and each of the 132 aircraft could cost more than \$300 million. \$23 million above the original price tags.

The plane's sole-source contractor. Northrop Corp. has taken a \$124 million tax write-off against profits on the plane, signifying concern with the soaring development costs. Last week the Air Force called in officials from the Rand. Northrop and Rockwell corporations to explore the possibilities of subcontracting bigger chunks of the project.

POLITICS

Solace for an Adversary

Politics may make strange bedfellows, but even so former Presidential Contender Gary Hart could not have expected solace from his old political adversary Richard Nison Three days after questions about adultery forced Hart's angry, defiant withdrawal from the race for the Democratic nomination last May 8, Nixon wrote a letter praising him for handling a "very difficult situation uncommonly well."

bomber, the Air Force is now catching flak over its aircraft Govern's 1972 presidential

campaign against Nixon, responded ten days later with a warm note thanking the ex-President for his "words of support" and extolling his efforts for arms control. The erstwhile candidate might also have mused about Nixon's ability to revive his political fortunes whenever they seemed to be crushed.

LOS ANGELES

A Ratlord In His Roost

Although Neurosurgeon Milton Avol usually lives in comfort in Beverly Hills, at the moment he can be found among disgruntled tenants in his own vermin-infested tenement in Los Angeles, Avol. 64, has been sentenced to live in his building for 30 days while monitored by an electronic device on his leg. The physician earned the nickname "Ratlord" after accumulating hundreds of health- and building-code violations on his four Los Angeles apartment houses since 1977.

Avol has spruced up his temporary roost with fresh coats of paint, but residents of the four-story building tell of crumbling plaster, missing windows, faulty plumbing, roaches and rats. "I catch a minimum of ten mice a week," says Tenant Jose Cavasos, proves the building, his eye may be on the bottom line: the apartment house is up for sale.

The Gorbachev

A determined and energetic leader pushes the Soviet Union toward a



Era





We knew he was going to be different. We did not know he was going to be that different. Last week he marked only his 28th month on the job, yet al-

ready his name is being used to describe a new era. That may be premature, but it conveys the sense among citizens and observers of the Soviet Union that Mikhail Sergeyevich Gorbachev, 56, is more than just the supreme leader of n vast, heavily are docuntry; he also represents the potential for dramatic change.

At first Gorbachev seemed new and interesting because of his vigor. That alone distinguished him from his doddering predecessors, whose artificial life-support systems and terminal "colds" were grussome metaphors for the decrepitude of the system. At last the Soviet Union had a leader who was younger than

the state itself.

In Washington, analysts and policymakers allike have yet to figure out what to make of Gorbachev or how to deal with him. Americans had long since grown used to a Soviet adversary who seemed most confortable sitting on a block of Ice. scowling and saying nyer in response to US. initiatives. Now the tee is melting. The Kremlin has been making diplomentation of the property of the property of the work of the work of the white House can reject them. Having met twice with Ronald Reagan. Gorbachev has for the momental elast, managed to seize con-

trol of the timing and agenda for a possible third encounter later this year.

Gorbachev needs a respite from all-out competition with the West in order to get on with his program. He wants to transform the Soviet Union from a muscle-bound but backward empire into a modern state able to hold its own in the global marketplace of goods and ideas. The U.S.S.R., says Gorbachev, must become a "real superpower." Implicit in that phrase is a stunning confession; take away its 3.7 million men under arms and its 25 000-odd nuclear weapons and the Soviet Union would be a Third World country. There is a note of alarm, even shame, and a growing tone of impatience in the way he talks about the society and economy over which he presides. A new specter haunts the land of Karl Marx and Vladimir Ilyich Lenin, the specter of apostasy imposed from above. What Gorbachev calls a "revolution" is to be accomplished by the beginning of the 21st century, and he seems to have every intention of being around, and in power, to pronounce it a success.

There is reason to wish him well, but also reason for slepticism More often than not, the legacy of Russian and Sovet reformers received to the legacy of Russian and Sovet reformers chills. So far, much of the Gorbachev phenomenon is words. Andrei Gromyko: the longtime Foreign Minister who two years ago became the country's largely ceremonal ago became the country's largely ceremonal between words and deeds Yet in a country where one can be sent to the Gullag for saying the wrong thing, words are deeds in a closed, hidebound dictatorship. Gorbachev's slogans ration are either particularly cylinical or partials or are either particularly cylinical or partials.

ticularly significant. It is not yet clear which.

By nature as well as by habit, the Soviet system has always run on fear and force. Gorbachev is now telling both rulers and ruised that it runs badly. But it omake the system run well, is Corbachev willing to lead his comtrades well is Corbachev willing to lead his comtrades to complete the common of the common of the telling to the common of the common of the petition? If he tries, will they follow? If they do, will the resulting society still be the Soviet Union? To judge from the resistance that Gorbachev alisk about openly, quite a few of his fellow citizens are worried not so much about performance of the common of the fellow citizens are worried not so much and parametric interests.

In foreign policy, Gorbachev is seeking a relaxation of tensions so that he can devote energy and resources to his domestic reforms. That is why he has been so determined to engage the most anti-Soviet of American Presidents in personal diplomacy. Gorbachev needs to convince international public opinion that he is one of history's good guys. So far. he has proved himself a master of low-risk, high-payoff gestures, doing things that in other societies would be considered only normal and civilized. He let Andrei Sakharov return to Moscow from exile, for instance, and thus earned the cautious, qualified support of many dissident intellectuals, including Sakharov himself. Gorbachev has been talking about the dangers of the nuclear and geopolitical competition in a way that is intriguingly-or, skeptics would say, suspiciously-similar to the way liberal Western strategists have talked for years. Sometimes he seems almost to be proposing an end to the cold war

to the cold war

As public relations, this "new thinking" has been immensely successful. Gorbachev has outcommunicated the Great Communicator. Some recent European opinion polls have found that the man in the Kremlin is more popular than the one in the White House. But the substance of Gorbachev's rhetoric remains to be tested, and it could prove inflammatory close to home. Gorbachev's popularity in Eastern Europe seems already to be backfiring against the regimes in the region-and therefore against Soviet control. One of the most extraordinary images of the year came last month at the Berlin Wall. A group of East German youths had gathered in hopes of hearing a rock concert on the other side when armed police moved in. The youths took up a chant: "We want Gorbachev!" In effect, they were invoking his new thinking to mitigate the brutality of the old order. The tactic did not work. The police cracked heads and dispersed the crowd. The moment did not augur well, either, for the more free-spirited citizens of the Soviet bloc or for Gorbachev himself. It demonstrated that, too often, Soviet power still comes from the barrel of a gun or the business end of a truncheon

Marxists have long relished pointing out the "contradictions" in other political systems. Now Gorbachev is forcing them to face up to some excruciating contradictions in their own. Whether: and how, he can resolve them is one of the most important questions of the decade, perhaps even of the era. "By Strobe Tabott!

World

Can He Bring It Off?

Slowly, tentatively, a rigid society awakes to the chilly dawn of reform



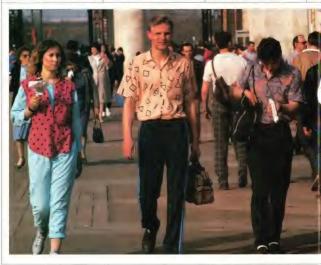
summer looks much as it has for decades: office workers queuing up at street-side ice cream stands. red-kerchiefed flocks of Young Pioneers fidgeting in the mile-long

line outside Lenin's Tomb, old women sweeping courtyards with twig-bundle brooms, faded red signs proclaiming VIC-TORY TO COMMUNISM. But beneath the

At first glance, Moscow this | capital's seedy, socialist exterior there is | dismay of others-their country is in the an unaccustomed hum of excitement. Passersby pore over posted copies of Moscow News, marveling at articles on (gasp!) official corruption and incompetence. Once banned abstract paintings hang at an outdoor Sunday art fair. In public parks and private living rooms, families plan futures that many believe will be better, richer, freer than ever before. To the delight of many Soviet citizens-and the

midst of its most dramatic transformation since the days of Stalin.

Mikhail Gorbachev's calls for glasnost (openness)," demokratizatsiya (democratization) and perestroika (restructuring) have become the watchwords of a bold attempt to modernize his country's creaky economic machinery and revitalize a soci-"In current Soviet parlance, the word's meaning is not



ety stultified by 70 years of totalitarian rule. In televised addresses, speeches to the party faithful and flesh-pressing public appearances-often with his handsome wife Raisa-he has spread his gospel of modernization. Translating his words into action, he is streamlining the government bureaucracy, reshuffling the military, moving reform-minded allies into the party leadership and allowing multicandidate elections at the local level. He has loosened restrictions on smallscale free enterprise and introduced the profit principle in state-owned industries. His policy of openness has encouraged the press to speak out more freely and produced an unprecedented thaw in the country's intellectual and cultural life. In the human-rights field, scores of political prisoners have been freed and the rate of Jewish emigration has been increasingto 3.092 for the first half of this year, up sharply from last year's level but far below the peak of 51,320 in 1979

For all his innovations, the Soviet leader has hardly, at 56, become a convert to Western-style democracy. He rose to power through the Communist hierarchy and deeply believes in the tenets of Marx. and Lenin. His goal is not to scrap that system but to save it from permanent co-nomic decline through a series of bold, pragmatic measures. As he told a gathering of editors and propagandists in Moscow on July 10: "We intend to make so-calism stronger, not replace it with another system."

Gorhachev's rejuvenating crusade

raises the question of whether he can

achieve durable change without provoking insurmountable opposition from party conservatives and fearful bureaucrats. After all, Nikita Khrushchev was swept from power 23 years ago for attempting reforms far less daring than Gorbachev's. More recently, when Deng Xiaoping's economic liberalization in China began to spill over into the political sphere, hard-liners rose up and forced the ouster of reformist Communist Party Chief Hu Yaobang early this year. Even if such internal party opposition does not stop Gorbachev, how far can he push change without unleashing democratic forces that could ultimately destabilize Soviet society? Mindful of that danger, Gorbachev warned the editors and propagandists that openness "is not an attempt to undermine socialism."

Gorbachev cleared a major hurdle at last month's Central Committee plenum, when he won backing for a far-reaching new law on state enterprises. The measure is intended to loosen the stranglehold of the central planning bureaucracy by giving greater independence to factory and farm managers. Among other provisions, it will require that local managers be elected by their workers and that the country's 48,000 state enterprises fund new and continuing operations from their own profits. Before the law takes effect next January, it must be accompanied by a package of enabling legislation dealing with such things as credit and finance, technological research and an overhaul of the state-controlled pricing system

Gorbachev had in fact prepared eleven draft decrees along those lines, but chose not to put them to a vote at the ple-num. Some Western analysts took this as a sign that he had yet to overcome resistance from conservatives among the Central Committee's 307 members, 60% of whom are holdovers from the Brezhnev







CULTURAL THAW

In Gorky Park, young people sport a casual, Westernstyle look; in contrast to the stodgy appearance of many Soviet goods, the fashions of Designer Vyacheslav Zaitsev suggest the best of the West; Laima Vaikute, one of the country's top rock stars, packs in audiences at the Mercury right clab in Moscow's Mozhdunarodnaya Hotel

World

era. Gorbachev is widely expected to seek a purge of such foot draggers at a national party conference that he has scheduled for June 1988. Nonetheless, the plenum left little doubt about his political strength, which was underscored by the naming of three of his supporters to the ruling Politburo. The new appointments meant that Gorhachev allies now occurv at least half of the 14 seats on the expanded Politburo.

Gorbachev had demonstrated his clout four weeks before the plenum by taking swift action against the military in the wake of West German Pilot Mathias Rust's spectacular landing just outside Red Square. When the Hamburg teenager's single-engine Cessna penetrated some 400 miles of Soviet airsnace with impunity. Gorbachev immediately sacked Defense Minister Sergei Sokolov and Air Defense Chief Alexander Koldunov. In addition to giving the country an object lesson in the personal accountability of those in power-and demonstrating the military's subservience to the political leadership-Gorbachev seized the occasion to place a reform-minded ally, General of the Army Dmitri Yazov, 63, in the

Defense Minister's job

In the past month, and especially in the wake of the Central Committee session Gorbachev has moved decisively in the direction of what he calls radical reform. Before the plenum, some Western analysts suspected that perestroika was largely a rhetorical exercise backed by a set of diluted half-measures. But Gorbachev's latest proposals, along with recent declarations by some of his key economic advisers, point to more far-reaching structural changes. Economist Abel Aganbegyan, for example, has advocated letting prices rise to market levels. At present, government subsidies on such items as food, clothing and shelter run to \$114 billion a year, straining the government budget and encouraging shortages and inefficiency. Aganbegyan has also raised the possibility of closing "thousands" of unprofitable enterprises

Similarly radical solutions were outlined by Economist Nikolai Shmeley in the June issue of Novy Mir (New World), a literary monthly. Lambasting inept managers for "their feudal ideology." he warned that "economics has laws that are just as terrible to violate as the laws of the atomic reactor in Chernobyl." Shmelev called for the introduction of free-market mechanisms even if that meant tolerating unemployment-a concept virtually unheard of in the Soviet Union, Gorbachev later praised the article for painting a "picture close to what in fact exists," but he stressed his commitment to full employment.

Gorbachev must realize, however. that any meaningful reform of pricing and central planning will inevitably cause some inflation and unemployment. Another consequence of his proposals would be an increase in pay incentives. thus risking the creation of rich and poor in a society that has long been, for the most part, egalitarian in pay though not in perquisites. Perhaps a greater danger is that incentives may undermine the very ideological underpinnings of Communism and thus prove unworkable. Nonetheless. Gorbachev appears to be serious about that reform. As he said in his plenum speech last month, "It is particularly important that the actual pay of every worker be closely linked to his personal contribution to the end result, and that no limit be set." The Soviet leader also applied the profit principle to agriculture, calling for a sharp increase in small-scale private farming to supplement the inadequate output of the collective farms. In a departure from traditional Soviet thinking, he declared that "competition is central to activating the motive forces of socialism."

In these and other ways, the General Secretary has hurled new challenges at a nation that was temperamentally and ideologically unprepared for change. It is not surprising, therefore, that his policies have met with resistance from an entrenched party and government bureaucracy that is wary of losing its prerogatives. As Gorbachev put it in an interview with the Italian Communist Party daily L'Unità last May, "It is a question of old approaches, the inertia of old habits and of fear of novelty and responsibility for specific deeds. We are also being hampered by encrusted bureaucratic layers.

This opposition has no identifiable ornization, leadership or platform. It includes an amorphous mass of party officials, civil servants and managers whose administrative foot dragging can stall or ultimately sabotage the reforms. Gorbachev has tightened his control over the Politburo, the party's supreme body, but he still faces formidable opposition from this large, inchoate group.

ven if he enjoyed unanimous support, Gorbachev would need a rare combination of skill and luck to solve the awesome economic problems that have been accumulating for a half-century. Stalin's legacy of centralized planning, collectivized agriculture and reliance on heavy industry, while effective at first in building up the Communist economy, ultimately produced a rigid and inefficient system. Having grown dramatically during the 1930s, the Soviet economy was sputtering along at an anemic average rate of 2% by the mid-'80s-lower than any other industrialized country except Britain. Agricultural output rose less than 1% a year between 1971 and 1979 because of a combination of bad weather and bad management. Industrial production has been chronically hampered by supply bottlenecks, absenteeism and equipment failures. Most Soviet industrial goods remain far below worldwide standards in quality and design. A recent article in a Moscow newspaper

noted that 40% of the 28 056 fires reported in the city last year were caused by faulty television sets. In a 1986 speech, Gorbachev cited the example of a TV factory in Kuybyshev that turned out 49,000 defective sets. Said he: "We cannot put up with such things.

Shoddy TV sets are typical of the Soviet consumer's woes. Moscow's elephantine planning bureaucracy, which fixes production targets for more than 70,000 items and sets some 200,000 prices each year, has traditionally stinted the production of consumer goods and favored the military, heavy industry and, with impressive results, the space program. Soviet shoppers have long been subjected to recurring shortages of such essentials as shoes matches fruits and vegetables This summer there have even been short. ages of those most common of Soviet staples, potatoes and onions. Some 20% of the country's urban population still lives in communal apartments, where several families must share a kitchen and a bathroom. Alcoholism and a decline in the quality of health care contributed to an alarming jump in the Soviet death rate, from 6.9 per 1,000 in 1964 to 10.3 in 1980 (the figure was 8.7 for the U.S. in 1980).

By the time Gorbachev came to power, the Soviet system was desperately in need of change, and the new General Sec-



retary was determined to bring it about. As soon as he took office, Gorbachev began preaching perestroika, exhorting his fellow citizens to work harder, ordering a
crackdown on alcoholism and vowing to
'rap inefficient economic executives over
the knuckles.' Meanwhile. he launched
his glasnost campaign in a bid to win the
support of the intelligentist.

Suddenly Soviet television began broadcasting frank discussions of social and economic problems. Press articles appeared on such subjects as drug abuse and juvenile delinquency. The picture magazine Ogonyok and the multilanguage weekly Moscow News started printing hard-hitting stories about corrupt offi cials, inefficient factories and alienated youth. Ogonyok, for example, has published such long-banned writers as Vladimir Nabokov and Osip Mandelstam. Moscow News has exposed police harassment of a journalist seeking to document shoddy construction of a power plant. Just how daring the press became is illustrated by a joke making the rounds in Moscow A pensioner calls a friend and exclaims. "Did you see that incredible article in Pravda today?" "No, tell me about it, says the friend. "Sorry," the pensioner re-

plies, "not on the phone."

Meanwhile, what is by Soviet standards a spectacular thaw has got under way in the cultural domain. During the past year more than a dozen previously

hanned movies have been greened before facinited sudiences. On the stage, plays like Mikhail Shatrov's Dictatorship of Conscience examine past failures of Communism. Anatoli Rybakov's Children of the Arbat, a novel that chronicles the murderous Stalinist purges of the 1930s, appeared in a literary journal after going unpublished for two decades. Last month a group of ex- political prisoners and dissipation of the community of the publish their own magazine, apily titled Glannat. The government has off agiven

en no official answer, but the first issue, in

the form of typed carbon copies, has been

allowed to circulate freely.

y providing more journalistic and cultural freedom, Gorbachev has been able to produce an immediate, highly visible burst of reform at relatively little cost. A more difficult task will be introducing more demokratizatsiya into the political system, though here too the Soviets have taken some tentative first steps. Late last month, for the first time since the early days of Soviet power, voters in 5% of the country's roughly 52,000 districts were allowed to choose from party-appointed electoral lists with more candidates on the ballot than positions to be filled. The Supreme Soviet, the country's nominal parliament. voted to permit popular referendums on regional political and social issues and to allow citizens the right of judicial appeal against certain decisions by Communist Party officials.

For all his cultural and political innovations. Gorbachev's greates challenge remains the economy. He has vowed to double economic output by the year 2000, double conomic output by the year 2000, produce measurable results. Some critics say the reforms proposed so far involve more tinkering than reconstruction. Still, Gorbachev has launched an impressive array of initiatives to get the economy movstructural changes. the way for more structural changes.

He has created a system of factory impectors who can reject obstandard products. Discouraged by the industrial ministries' relactance to introduce new technology, he has formed conglomerates that combine both research and production facilities. The new high-tech factories, most of them run by the Academy of Sciences instead of the ministries, will be allowed to keep part of any profits they carn. In addition, the Academy of the Nagement training institute, with seminars and case-study courses similar to those at toy U.S. business schools.

Several hundred of the 48,000 stateowned firms have already been put on a self-financing basis and have elected their own plant managers. Some 20 ministries and more than 70 large firms have been

ON THEIR OWN

At the privately owned "Number 59" hainfressing salon is Tollien, Estonia's capital, employees must still contribut taxes and union fees to the state; a Moscow man performs unicensed repair work on a car to earn extra pocker money; a pair of the private taxis in the U.S.S.R. newly authorized to compete with sate-owned







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allowed to buy and sell products abroad without going through the bureaucratic bottleneck of the Foreign Trade Ministry. Part of the hard currency these firms earn from such transactions may be used to buy badly needed foreign equipment and technology. A similar strategy seems to be behind a new law permitting joint ventures with foreign companies. Under regulations adopted last January, a Western firm may hold up to a 49% interest in a venture with a Soviet company.

Gorbachev has also encouraged economic innovation in agriculture and the woefully inadequate service sector. In

Moscow and Leningrad, collective farms are beginning to sell produce through their own outlets as well as through the state stores. A parallel development is the appearance of private-enterprise restaurants set up in competition with state-owned eateries (see box). Another flirtation with free enterprise is the new "individual-labor" law that took effect last May. It legalizes a kind of small-scale service business that may be run by an individual or family. Owners of private automobiles, for example, are now allowed to use their cars as taxis during their time off from regular state jobs, and skilled workers like carpenters and plumbers can legally take on private work. The government last week reported that 137,000 of these individual enterprises have been registered nationwide. For all its liberal trappings, however, the law seems aimed less at increasing consum-

control-and thus taxation-a flourishing underground economy that is clearly essential to the day-to-day functioning of society

The major obstacle to the spread of private enterprise, says Duke University Economist Thomas Naylor, "is not ideology but rather the lack of familiarity with market mechanisms." That shortcoming was illustrated recently by the baffled reaction of a shopkeeper in a state-owned Moscow clothing store when asked her views on the new private companies. Suppose someone wanted to produce shoes privately, she said, "Where would they get the leather or the rubber?" Such materials have always been distributed to state-run enterprises by Gossnab, the government's main supply agency. There is not yet a procedure under which a private shoemaker can purchase leather from a private tanner. Nor are there many credit institutions that would lend an individual producer money to start a business, much less provide the sort of venture capital that fuels entrepreneurship in the West. Work is currently under way to set up such structures

The long-range effects of Gorbachev's policies are difficult to gauge. In 1986 the aggregate national income, roughly equivalent to the gross national product. increased by an impressive 4.1% (vs. 2.5% in the U.S.). Western experts attributed the rise to higher Soviet oil exports and the best grain harvest since 1958. Those are mostly short-term factors that do not

THE FIRST COUPLE

energize the masses

Despite his press-the-flesh public appearances, Gorbachev has alienated many citizens by demanding harder work without giving them immediate benefits in return. Moreover, his anti-alcohol drive has deprived the populace of a favorite pastime. Sustained economic improvement will be difficult unless he can

er services than at bringing under state | reflect the fundamental changes the economy requires. With the current grain crop off to a bad start because of severe winter weather, this year's growth figure is likely to be lower.

Sustained economic improvement will be impossible unless Gorbachev can energize the apathetic Soviet masses. He has alienated many workers by demanding more discipline, harder work and better-quality output without giving them immediate benefits in return. His antialcohol drive has deprived the populace of a favorite pastime. "It's a vicious circle," says Marshall Goldman, a Soviet expert at Harvard University. "For workers to produce more. Gorbachev needs to offer them more consumer goods and services. Yet in order to be able to offer them more goods and services, he needs more productive workers.

Indeed, ordinary Soviet citizens appear to be generally supportive but widely skepti-

cal of his reforms. When Sociologist Vilen Ivanov polled workers in a large plumbingequipment factory, 62% complained that so far perestroika meant only more work. Conversations with workers bear out such ambivalence. "You cannot imagine how much inertia there is," says Boris, a sullen, redfaced young man who works in an aging Moscow metallurgical plant, "There are no changes at all in our factory, except that we get less money now. As soon as we became self-financing, our bonuses dropped because we weren't getting big subsidies from the state anymore. There may be reforms going on somewhere out there, but they cer-

tainly aren't here." A Ukrainian driver similarly wrote to the Central Committee last May: We all vote yes, yes, yes for perestroika, but something is lacking. The desire burns inside, but when it comes out into the open it is all smoke and no fire." A woman living in a suburban Moscow housing block voices apprehension over the idea of price reform. "Whenever meat is available," she says, "the price is too high. If they raise the rent on this apartment, we will not be able to afford it. The authorities cannot raise prices because the people would have even " Some older Soviet citizens express strong reservations about changes that they feel are compromising their Communist ideals. "I don't want life to turn into a race for rubles." says a 63-year-old educational administrator. "How can they call that Communism? This democratization smells

like capitalism to me. The new economic measures appear to have more enthusiastic backing among white-collar workers. "We've just become self-sufficient and have been promised pay increases," says a tall, well-dressed woman who works for a shoe-repair shop. "We'll be expected to do more for our money, of course, but we're all for that. I'm saving for the first time in my life." A middle-aged administrator in a Moscow carpet factory agrees that there has been visible change under Gorbachev. "People think what they're doing is more worthwhile," he says. "Russians were never given the chance to use their traditional wisdom because they were always being told what to do by bureaucrats. Now we are self-sufficient, and we feel more responsible about our work." Whatever workers and bureaucrats

may think, Gorbachev's glasnost has been greeted with an almost giddy euphoria by the intelligentsia. Says Yegor Yakovley.

Researched.

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Next, a careful study was made of Next, a careful study was made of seat ever so slightly, the foot pedals were better positioned. The seat and steering column adjust to positions that are humanly possible. And the driver's seat remembers the positions.

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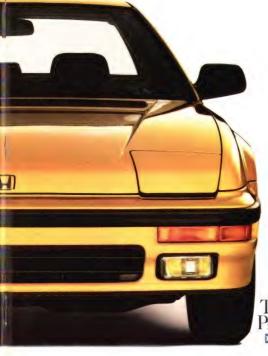
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editor of the innovative Moscow News: "We are hurrying, as if walking on hot coals. We want to show, print and stage all the things that were buried for decades as quickly as possible. We want to do it overnight."

That excitement is understandable. Gorbachev's reform campaign represents potentially the most wrenching transformation in the lives of Soviet citizens since World War II. But can he succeed? Many Western experts are doubtful. Predicts former U.S. Ambassador to Moscow Arthur Hartman: "Russian history will prove stronger than the modernizers. Real reform means distribution of power away from the center, away from the party. I don't think those guys will accept that voluntarily." Some students of Soviet history, noting that periods of reform have typically alternated with periods of reaction, suggest that Gorbachev's policies may proceed for a while and then be followed by a retrenchment, as his party and bureaucratic opponents organize to stymie them. Yet the Soviet leader has two things going for him: a lack of alternatives to his leadership and his image among the intelligentsia as the last best hope for reform.

orbachev may represent the West's last chance at least in this century, of better integrating the Soviet Union into the world economy. There it would come under pressure to behave like a Western country, competing for capital and markets, lowering the barriers to foreign investment and even making its currency convertible. "The present seems to be an unusually promising time for doing business with the Soviet Union," says Peter Reddaway, director of the Washington-based Kennan Institute for Advanced Russian Studies. A senior U.S. diplomat in Moscow agrees, saying that Gorbachev "may be for real, in the sense that he's tackling the fundamentals

The scope of Gorbachev's reforms and the vigor with which they are being pursued indicate that they are not merely a Potential village of minor improvements designed for foreign consumption. Standing obfore the Central Committee last month. Gorbachev irrevocably by nihs political fixed that they are the standard of the standard like those the West has always championed: economic freedom, individual rights and private initiatives.

uniform and private introduction to the control of the control of

chev's reforms. — By Thomas A. Sancton.
Reported by James O. Jackson, John Kohan and
Ken Olsen/Moscow

Capitalism on Kropotkinskaya Street



In the evenings, two Moldavian musicians serenade diners with folk and gypsy tunes

It is 11 a.m., an hour before opening time. Already the queue at 36 Kropotkinskaya Street extends around the corner of the elegant green-and-cream 19th century building. People are waiting patiently for a chance to experience one of the first visible signs of economic reform, a free-enterprise restaurant: "We've got a big problem here." Manager Andrei Fyodorov says." Too many customers."

Some problem. Fyodorov, 44, is co-chairman of the eight-member cooperative that opened Moscow's first such venture last March: He and his seven partners, most of them experienced cooks or waiters, are investing in a business that will prosper—or fail—without government interference. "We never imagined we would do this well," says the energetic, chain-smoking co-chairman. Cafe 36 Kropotkinskays, as they named the restaurant (ubreaucarts wanted it to be called Cafe Cooperator), is a consequence of Mikhail Gorbachev's reforms legaling small-scale private enterprise. One of the goals is to improve the country's service sector, and nowhere is improvement needed more than in Soviet restaurants, which are notionous for rude service and poor food.

"Three of us put up a total of 4.500 rubles (\$6.750 of our own savings": says. Fyodorov, a former hotel food-service director. "The state bank loaned us 9.000 rubles (\$75,000) interest-free to pay for renovating and furnishing this building. Whave to pay that back over five years. We got another 10,000 rubles (\$15,000) credit at 3% interest for start-up costs, but we've only needed 5.000." The loans paid for the restoration and redecoration of an elegant of to building in turn-of-the-century style. including damask wall coverings and antique light fixtures. Although the part-time walteress and kitchen help must be paid salaries no less than they would of 350 rubles (\$5.25) is month each and possibly more than 500 rubles (\$750). The average Soviet stately via bout 190 rubles (\$255).

During the landy state up to the partners put in 16-hour days, which began early in the morning at farmers' markets and collective farms, where they paid premium prices for top-quality meat and produce. Says Fyodorov. "Before, we are accustomed to having somehody tell us everything. Now we have to think for ourselves." Despite the long line outside. Fyodorov worries. "Who knows how the contractive to the cont

One way the Kropokinskaya Calé is a Iready competing is by serving the raret thing in the Moscow restaurant world-courtey. Culsomers are greeted by a courtly doorman who apologizes for the delay. The waiters startle women by holding chairs for them. In the evenings two Moldavian musicians serenade diners with folk and gypsy tunes. Fyodorov strolls among the tables greeting customers and topping up glasses of childed fruit pince. The restaurants of far is nonalcoholic, but the partners hope to obtain permission to serve wine. The menu-halked on a blackboard, offers host of ceveres of cold tongue, cruditeis and home-pickled vegetables. The main courses range from 2.0 rubles (\$3.30) for liver fried with ceuzumbers to 60 rubles (\$500 for rosts sucking pig.)

Fyodorov has been in the food-service business since 1964, starting as a busboy and working his way up to become director at the Metropol, one of Moscow's leading hotels. He dreamed of having his own restaurant for 15 years. "But until Gorbachev came along," he says, "it wasn't possible." Fyodorov surveys the restaurant with a happy, proprietary air. The chef is at the ard discussing the day's menu with a waiter. A waitress is arranging the silverware. The line outside is growing longer. Fyodorov smiles and says. "This is presertoika."

Will the Cold War Fade Away?

Moscow's "new thinking" could radically alter the superpower rivalry, but . . .



Imagine, just as a mind game, a world without the cold war. What a strange and different place it would be! The bipolar world would grow other centers of

power, ones based more on economic than on military might. Although the U.S. and the U.S.S.R. would no doubt remain competions, their rivalry would begin to resemble the ones that have always existed between powerful nations rather as a Manichaean struggle between two profoundly incompatible views about individual with the structure of the control war. Instead, that these tools derive to define the common stake cach side has in assuring the world's survival.

Such a withering away of the cold war would require a large measure of freedom within the Soviet Union to help dispel Western outrage over the way it treats be people it rules. The Kremlin would have to justify its authority by focusing on the needs and aspirations of its citizens ruther than by pursuing expansionist aims. In addition, the Soviet and the security of benefit and the security of the soviet of the security of the soviet of the security of the soviet of the security of the sec

Strange and different? Yes, very. But not quite as strange and different as it would have seemed a couple of years ago. Novove myshleniye (new thinking), Mikhail Gorbachev calls this vision of a new international order. The phrase has become a standard entry in Gorbachev's lexicon, along with another mouthful: obshchava bezopasnost (mutual security). In the world according to Gorbachev, these concepts mean rejecting the basic zero-sum, cold-war notion that any gain for one side requires a loss for the other, that security depends on making rivals insecure. "Less security for the U.S. compared to the Soviet Union would not be in our interest," he says, "since it could lead to mistrust and produce instability."

This new outlook, Gorbachev argues, is required in an atomic age. "Nuclear deterrence demands the development of

new approaches, methods and forms of relations between different social systems, states and regions," he told the Communist Party Congress last year. "It is vital that all should feel equally secure." Says Professor Robert Legold, director of the Harriman Institute at Columbia. Gorbacher is the first Soviet leader to link national security to mutual security, to argue that the U.S.S.R. cannot achieve security at the expense of its main rival.

Accepting this rhetoric on faith would be dangerous, but so would dismissing it outright. If only in public relations terms, it makes no sense for the U.S. and its allies to surrender the high ground. To counter the Gorhachev line, the West will need to come up with initiatives and a new terminology of its own. Above all, it must find ways to induce Gorbachev to show his hand, to reveal what changes in Soviet policy he is willing, and able, to make. So far there have been few concrete changes, and some of them-involving a more sophisticated outreach to other countriesactually present a new challenge to the U.S. The new era that Gorbachev busily projects would require not merely a new line and a few changes at the top, but a total transformation of the Soviet system, both at home and abroad.

Even to sak whether the cold war is over is a bit like saking, "Is God dear?" Given the brutal nature of the Soviets' aggression and their willingness to impose to latitation systems around the world, the world, the world, and the cold war, after all, describes not just the interaction between two years, analve. The old war, after all, describes not just the interaction between two starkly opposed value systems. The phrase, first used in a speech by Bernard Baruch in 1947, implies that the call-avoid the system of the phrase of the system of the cold war, after a system of the call-avoid the cold war, after a system of the cold war, after a system of the cold war, after a system of the cold war, and the war, and the cold w

But will the cold war remain, in that see, a war? Will the struggle that has bifurcated the world for the past 40 years continue with the same crusading fervor for the next 40? Not necessarily. The cold war has never been a stable phenomenon. Its intensity has waxed and waned over



the years. The very term, as traditionally defined, now seems dated. New political and economic forces have emerged; a different set of international challenges has arisen. The Marxist model has lost much of its allure around the globe.

eorge Kennan, the prescient diplomat who formulated the U.S. doctrine of containment shortly after the end of World War II. ruminated at a reunion of State Department planners about how these global changes have made the East-West ideological struggle less relevant to how the world is ordered. Says Kennan, who in recent years has adopted a more benign view of the Soviet Union: "The whole principle of containment as that term was conceived when it was used by me back in 1946 is almost entirely irrelevant to the problems we and the rest of the civilized world face today." Declares Ohio University Professor John Lewis Gaddis, a noted historian of the postwar era: "What was once an ideological struggle between the U.S. and the U.S.S.R. has evolved into an old-fashioned great-power rivalry that is not much different from the rivalry between England and Russia in the 19th century.

That is debatable. But Foreign Affairs Editor William Hyland, a veteran Soviet watcher, agrees up to a point. The ideological component of the East-West strug-



gle has receded, he writes in his new book Mortal Rivals, and that could fundamentally change the way the game is played. "Ideological conflicts brook no compromises," he explains, "but power and interests are negotiable commodities."

Former Secretary of State Cyrus Vance was part of a 1890 international commission that endorsed mitual security as the guiding force in East West relative to the properties of the properties o

Those who dismiss such changes in Soviet rhetoric, says James Schlesinger, the former Defense Secretary and CtA director, are being too reflexive. "These are the very people who argued that the Soviet Union is incapable of making even those changes that have already occurred. Now they're saying Gorbachev is no different from any other Soviet leader."

The change in the Kremlin's rhetoric should not be seen as a sign that the Soviets have abandoned their belief in Communism or become converts to the West. The new tack seems motivated mainly by a realization that military competition

and Third World adventurism are expensive and not all that rewarding. Keeping Cuba affact costs he Soviets more than \$4 cuba affact costs he Soviets more than \$4 cuba affact costs he Keepingment of classification of the cost of the co

here is an even deeper connection between Gorbachev's domestic reforms and his proclaimed foreign posses. "I don't renember who," Gorbachev said in his 1985 inditiew with Thik. "but somebody said that the control of the control of the control of the control of the control tie, policy." That tenet, and the control of the control of the control of the knew, was from Lenin "There is on more erroneous or harmful idea than the separation of foreign from internal policy."

American analysts from Kennan onward have stressed their own view of the connection: the Kremlin's totalitarian domestic system, they argue, is a primary cause of its expansionist foreign policy. In order to consolidate and protect its power at home, the ruling elite finds it useful to create a hostile international environment. Richard Pipes, a history professor at Harvard University and hard-line So-viet expert who served in the Reagan Administration, is a noted proponent of this view. Says he: "Aggressiveness is embedded in a system where there is a dictatorial party that can justify its power only by pretending there is a continual warlike situation."

Gorbachev's ability to redirect Soviet foreign policy will thus partly depend on the success of his domestic reforms. If the drive for economic efficiency leads the Soviets to permit a greater degree of interparation could dimminit. Though doubtful that this is in the works, Pipes concedes. "In the long run, changes domestically could lead to a change in foreign policy." The need for the party to justify itself by alleging a threat from abroad could have a some properties of the part of part of the part of partly alleging of Soviet internal re-

pression could after the US side of the equation. At the heart of American animosity toward the Soviet Union is a revision against its internal system, a belief that there is something cruel and unnatural about the relationship between the individual and the state under the precepts of Marx and Lenin. "Gorbachev seems to be rethinking precisely those things that we don't like about the Soviet Union," says Michael Mandelbaum, a Soviet expert at the Council

World

on Foreign Relations. "If glasnost thrives, the place could change in ways that will make it easier for us to treat it as a legitimate member of the world community."

Ronald Reagan expressed this sentiment in his Berlin Wall speech last month. "We welcome change and openness," said the President, "for we believe freedom and security go together-that the advance of human liberty can only strengthen the cause of world peace." Assistant Secretary of State Rozanne Ridgway, though skeptical about Gorbachev's rhetoric, is likewise upbeat about the consequences if his domestic reforms turn out to be successful. "I can foresee our entire postwar agenda being accomplished," she says, "since much of what we've been trying to do is to get the Soviet Union to become more open to the movement of people and ideas."

But could successful internal changes end up making the Soviets more, rather than less, aggressiveand eventually more effective in pursuing their global ambitions? "I don't see why we should welcome the prospect of an equally dangerous, equally malicious, equally aggressive Soviet Union with the only difference being that it will have a more efficient economy," says Richard Perle, a former Assistant Secretary of Defense. Henry Kissinger, who believes that the Soviet attempts at reform are sincere, captures the dilemma nicely: "There are two dangers for the U.S. in this program: first, that it may fail; second, that it may succeed." The U.S., Kissinger adds, should not make foreign policy concessions based on a desire to affect Soviet domestic reforms.

Those who fear that successful economic reforms would lead Moscow to renew its expansionist policies argue that, despite Gorbachev's rhetoric, the Soviet quest for security is essentially aggressive. The Russian word for security. bezopasnost, translates literally as "absence of danger." Moscow's way of achieving that state has often been to identify a danger, then crush it. As a largely landlocked nation with a history of being invaded. Russia developed an expansionist desire to control large territories. Over the years, there has been nothing as offensive as Russia on the defensive. Witness the postwar subjugation of Eastern Europe and the 1979 invasion of Afghanistan.

Moreover, even if Gorbachev is sincere in trying to make a significant change in Soviet foreign policy, he may fail. Traditional views about national security and global ideological struggle are deeply embedded in the Soviet military, the foreign policy establishment and the party hierarchy. So, for the present, there is a chorus of

healthy skepticism worth heeding. "The

West is horrawoggling itself because of a passionate desire to believe the situation is radically altered," says Midge Dester, excutive director of the Committee for the Free World. "So far it's mostly been rhetoric," argues Validamir Bukovsky, an exited Russian dissident now living in Britan. "Soviet leaders have and changed their view of the world." Helmut Sonnenfeldt, a policymaker during the period of detente who is now at the Brockings Institution, sayshards would be the proposed to the period of the period of

Arthur Hartman, who until earlier this year was U.S. Ambassador in Moscow, is particularly troubled by the unwarranted optimism he believes has

erupted. "The little evidence we have is that this guy Gorbachev is a pretty orthook fellow." Moscow's global ambitions and its "centralized authoritarian rule" seem unlikely to change, he says. "The Soviet Union is our antagonist and will be for the indefinite future."

Such worries abaut Gortsche's ultimate goals involve another Lenninst bymod peredyshka (breathing space). Both
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The Soviets have previously made similar accommodating noises that turned out to produce breathing spaces of a dismayingly short duration. Lenin used

the concept of "coexistence" to justify taking Russia out of World War I. Stalin subscribed to the doctrine of "collective security" against Hitler in the 1930s and then secretly negotiated a pact with the Nazi dictator.

dictation.

Perhaps the most relevant historical analogs is the than promoted by Nikitia analogs is the than promoted by Nikitia parameters and the late 1958, when he was pursuing his internal reforms. That was when the phrase "peaceful coexistence" gained currency. Bothsides professed their realization that they had a stake in preventing war. The quest for nuclear parity began with the limited test-ban treaty regulated under Arms. Limitation Talks and detente under Brezhnev. But Khrushev's than turned out to be more ritetions.

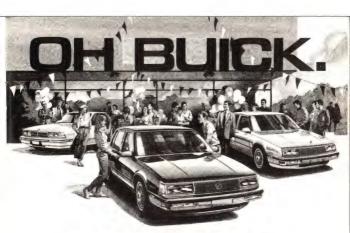
ric than reality. He crushed the Hungarian rebellion, built the Berlin Wall, deployed Soviet missiles in Cuba, directed Moscow's missile buildup and pushed a strategy of fostering pro-Soviet revolutions in the Third World.

Is there, then, any reason to believe that Gorbachev's talk of "mutual security" is more credible? In theory at least, there is one significant difference. The Khrushchev-Brezhnev doctrine proclaimed that the armed truce between the superpowers did not mean the end of the global "war" between Communism and capitalism. As Khrushchev said in 1963, "Peaceful coexistence not only does not exclude the class struggle, but is itself a form of the class struggle between victorious socialism and decrepit capitalism." Khrushchev also put this point in more typically blunt terms: "We will bury you." The "wars of national liberation" that he pursued produced an expansion of Moscow's influence in the far corners of the world

Gorbachev sounds very different from Khrushchev. As he told an international peace group earlier this month. Every nation has its own interests, and it is necessary to understand this reality. Refusing to recognize that is denying peoples the right of free choice." He also declared, in last year's Party Congress speech, "It is inadmissible and futile to encourage revolution from abroad."

Such a change would in purt be mere by a recognition of reality. Moscow's mod el of Maxxism-Leninism has proved to be a failure. In North Korea, North Viet Nam and most of Eastern Europe, societies in which Soviet-inspired socialism has been imposed have fared miserably com pared with their capitalist neighbors. Susy Hyland. "The Soviet state can no longer fort adeological inspiratory and proposed to the companies of the companies of their diplomats based in Washington puts it. "There is less of a tempton puts it." There is less of a tempton course was requestioning our own model."

Sounds great. But all this can be



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World

proved out only in action. Gorbachev's proposed thaw will differ from the Khrushchev variety only if Moscow's apparent flexibility on arms control proves real, and if it reduces its militarist meddling in the Third World.

A group that might be called the hopeful sheptics believes that even limited changes in the Soviet attitude could be hopeful sheptics believes that even limited changes in the Soviet attitude could be useful—especially if the West is skillful in exploiting them. Even if the Soviets are merely seeking a breathing space, it may be quite long, given what they seek to accomplish. This could lead in unexpected directions. "It doesn't matter that much what present intentions are." Schlesinger says. "When one introduces change and the forces that go with it, one may be a support to the control of the contr

not be able to return to original

That could depend on how the West deals with the Soviet desire for a respite. "I can't deny that this may be seen by them as a breathing space," says former President Jimmy Carter. "But sometimes there is a temporary accommodation that turns out to be long lasting, if handled right." Advises Hyland: "It is the task of Western strategy to make Gorbachev pay a price for this interlude-a price in concessions that will advance strategic stability and the settlement of regional conflicts '

So far, the U.S. has been paralyzed in reacting to Moscow's new line partly because, as on so many foreign-policy issues, the Reagan Administration is divided. On one side are the hard-line skeptics, particularly in the Pentagon and on the National Security Council staff, who dismiss Soviet pronouncements as meaningless. On the other are those

who believe that the U.S. should come up with ways to test Gorbachev to see if he means what he says.

The foremost advocate of this "showme" school is George Shulkz. The Secretary of State first met Gofreschev in
March 1983 and was impressed with the
March 1983 and was impressed with the
"Here's the first postereolutionary, post"Here's the first postereolutionary, postavg, post-Stalin leader," Shultz told colleagues, adding that he was "fascinated by
what that could mean for the relationship." Most leading members of
Sentior Albert Gore: "It's impossible to
Sentior Albert Gore: "It's impossible to
Jean how sincere they are without careful testing."

Of what, exactly? Just what concessions should the West seek as a way to determine how much reality underlies Gorbachev's rhetoric? Among the areas to explore:

Conventional Forces in Europe. Although the Soviets are now hesitating, perhaps in response to Reagan's current

political weakness, one test is already close to bearing fruit: Reagans "sere-option" challenge to eliminate Soviet and American nuclear missies from Europe. The removal of medium- and shorter-range missiles, however, would weaken the West's capacity to deter a convention-also well attack. Thus, the key to the Soviet attack. Thus, the hey to the Soviet attack. Thus, the hey be the Soviet attack the sound that the series of the soviet and the sound that the sound that

The Soviets claim to be. Gorbachev has called for reducing conventional arms to a level of "reasonable sufficiency." Said he: "In the European building, every



apartment is entitled to protect itself against burglars, but only in such a way as not to demoish the next-door apartment." His top propagandist, Alexander Yakovlev. is even more forceful about cutting convenional forces. We are pre-tuding convenional forces where the test iness." he told New Perspectives Quarterly, a California-based political journal. Encouraging words—but in more time 13 years of negotiations with the West over mutual troop reductions, the gle soldier from Eastern Europe a single soldier from Eastern Europe as the properties of the properties

One factor that cannot be changed is geography. If Moscow simply pulls some of its tanks and troops out of Eastern Europe, this will do little to ease the long-term threat that the overwhelming Soviet unmbers could pose to Western Europe. way the Soviet Union deploys its military orces: a shift from an offensive-force posture to one that is structured for defensive purposes. Sentor Gore, who wisted Mos-

cow in June, reports that the Soviets seem willing now to discuss deployment tactics. "They offered to talk about restructuring of forces on both sides to lead to a defensive posture." he says.

Stragetic Nuclear Forces. The critical question, says Hyland, is whether Gorbachev is willing "to recognize something along the lines of our version of stability." That would require the Soviets to cut their huge arranal of sile-busting warheads, which pose a first-strike threat that could pre-empt the ability of the US, when the comment of the US concepts of partiy and are willing to grarity and are willing to go further by

cutting back to a level of "minimal deterrence." That would involve each side keeping only enough weapons to assure that it could retaliate credibly. The weapons would be deployed in a manner, such as at op single-warhead mobile missiles, that made them less of a first-strik threat.

The main challenge will be finding some accommodation on Star Wars. The Soviets have inched away from their acrossthe-board opposition to Strategic Defense Initiative research by hinting that they might permit some testing, perhaps even in space. Kissinger argues that finding a middle ground is impossible because Washington's goal is to deploy SDI and Moscow's goal is to do away with the program; a long delay, he argues, would in effect kill it. But Schlesinger, who does not believe that a delay in deploying SDI would necessarily be fatal to the program, says the outline of a grand compromise is already in place: "No deployment of SDI for ten to 15 years, carefully

specified limitations on the testing of components outside the laboratory, and a 50% reduction in offensive weapons carefully contrived to reduce concern about a first strike."

The Third World. New military agreements, as important as they are, would not be a true fest of whether Corbachev's cold war. That would require a langible change in the Soviet Union's expansionist use of force, expecially in the Third World. University of Michigan Professor magazine that in the new edition of the Communist Party program, "Soviet support for national liberation movements has changed from promises of economic professor of the pr

The Soviets have, in fact, seemed somewhat cautious about the military support they now provide Nicaragua. But so far Moscow has been unwilling to abandon the Sandinistas or other Third

World clients, claiming that U.S. aid to anti-Marxist forces prevents peaceful settlement of local conflicts. As Oliver North argued in his testimony last week, Cuban troops, serving as the Soviet "mercenary army," are stationed in Nicaragua, Angola. Mozambique. Ethiopia and South Yemen. Testing the Soviets' true intentions will be tricky; the manipulation of Third World proxies is not an issue that lends itself to formal negotiations. Assistant Secretary Ridgway has been overseeing a series of talks, initiated at Reykjavík, aimed at resolving regional disputes. "So far, she says, "nothing new of substance has emerged."

Afghanistan. One clear-cut case is Afghanistan, which Ridgway calls a "symbol of what is troublesome to the West about Soviet conduct." Gor-

bachev has proclaimed a desire to withdraw from what he called a "bleeding wound," and the Soviets have even hinted that a national unity government might involve inviting back King Mohammed Zahir Shah, deposed in 1973. Yet their highly publicized pullout of 6,000 troops from Afghanistan last fall was an illdisguised sham. Other soldiers soon took their place. The crucial test is not whether the Soviets will agree to a cease-fire, which would merely ratify the occupation, but whether they will permit a new government not under Moscow's

The Middle East. The Soviets continue to advocate an international peace conference, and the idea has recently gained momentum. But the U.S. has been wary. Administration officials fear that Moscow, which continues to back the P.L.O., would use such a conference to expand its influence in the region and ultimately control with the properties of the properties.

the meeting to favor Arab aspirations. The Soviets sent an eight-member consular team to Israel last week. The mission marks the first time an official Soviet delegation has visited Jerusalem since Moscow severed relations with Israel over the 1967 Arab-Israeli war. The Soviets may soon be the only major power to have soon be the only major power to have larged, moderate and radical Arab states, and the PLO.

Economic Cooperation. How far are the Soviets willing to go to join the international economic community? Here too their words are surprising. They profess to be interested, for example, in particular parties and the international Monetary Fund and the international Monetary Fund and the international Monetary Fund to make the substantial accommodations involved Says Peter Peterson, former Commerce Secretary under Richard Nix. on and now whatman of the Council on and now whatman of the Council on

Foreign Relations: "For GATT, this would mean having market prices for commodities in order to prevent unfair dumping practices. For the IMF, this would mean, among other things, being open about the size of their gold reserves."

More than 60 years before the Bolshewik Revolution. Alexis de Tocqueville
wrote of Russia and America that "each
seems called by some secret design of
Providence one day to hold in its hands
the destinies of half the world." Thus it
has been for 42 years since the celebratory meeting of Soviet and American
world with the source of the source of the
World War II gave way to the deadly distrust of the postwar era.

If, perchance, some of the ideological



underpinnings of that struggle are beginning to fade away, the rivalry could become far more manageable. Unlike other great international rivals, the U.S. and the Soviets have little serious conflict over commercial markets. And despite the struggle for political influence, both sides share an interest in calming certain regional disputes, like the Iran-Iraq war.

goods despited, the time in training walf as born of its rhetoric, there are forces outside the control of either superpower that side the control of either superpower that are fundamentally changing the nature of the cold war. With nuclear weapons an unusable tool, the military might of the two countries has become less important in shaping global relations. In terms of plobal production, the saturs of the two superpowers is already declining.

In addition, the growing commercial clout of the developing industrial world has made such countries less susceptible to superpower domination. So too has rising nationalist sentiment. "Quietly, er-

ratically, the capacity of the developing regions to resist intrusion and to shape their own destiny has been increasing," notes University of Texas Professor Walt Rostow, who was Lyndon Johnson's National Security Advisor.

tional Security Adviser:
Gorbachev has shown that he understands the challenges this phenomenon
presents. Unlike his recent predecessors,
he has assiduously courted commercian
and political relations with Asian countries. In a speech last summer in the Piacilic port of Vladiovstok, he declared that
bilateral relations with all countries in the
region. without excession."

Gorbachev will also be seeking better relations with non-Communist countries in a trip to Latin America that may occur

later this year. That would make him the first Soviet leader ever to visit mainland Latin America. As in Asia, he is thus presenting the U.S. with a new type of challenge: a competition for friends and influence that is conducted by diplomatic courtship rather through wars of national liberation and covert military activities. The old style of Soviet diplomacy, which tended to be clumsy and naysaying, was often actually helpful to America. A more sophisticated and flexible style will mean tougher competition for the U.S. Under what has been dubbed the Reagan Doctrine, the U.S. has attempted to counter traditional Soviet military expansion. But can it now come up with bold diplomatic initiatives that match Gorbachev at his new game?

This question is most critical when it comes to Western Europe. A European missile deal could be seen as "decoupling" the defense of the U.S. from that of its allies. Gorbachev's new accommodating line could also lull the

West into a false sense of security and endanger the cohesiveness of the Atlantic Alliance. By employing the very opposite of cold war tactics, the Soviets could conceivably make more headway than ever in pursuit of their long-standing goal: earling influence throughout Europe.

Given what is now known, the West cannot afford to let down its guard. The Soviet armies and the Kremlin's worldwide apparatus of subversion are not about to melt away. But if Gorbachev can show that he is serious about changing the ground upon which the superpower competition will henceforth be waged, the West should be pleased: the new playing field is one on which the Soviets are still amateurs. For if the rivalry evolves from one based on military assertion into one dominated by the force of ideas, the appeal of values and the potency of economic systems, then the U.S. and its allies have much to gain and little to fear. - By Walter Isaacson. Reported by Strobe Talbott/Moscow

THE GULE

Showdown on Embassy Row

France and Iran sever ties, but the threats continue

n Paris, just across the Seine River from the Eiffel Tower, a beefed-up force of 200 police surrounded the ornate Iranian embassy, floodlighting the building at night to prevent the departure of its 45 occupants. French security agents even checked nearby sewers to make sure no one left the building clandestinely. In Tehran, Interior Minister Ali Akbar Mohtashami announced that the French embassy had been cordoned off and that some of its officials would be arrested for spying. His threat quickly raised fears

On Saturday, Mohtashami made his espionage charges, claiming that the French diplomats had "acted as a connecting bridge to help counterrevolutionaries escape abroad and also to help link splinter groups inside Iran." French officials accused Iran of making the spying allegations in order to create a situation parallel to the standoff in Paris. They announced that if Tehran approves, Italy will represent France in Iran, where nearly 300 French nationals still reside, in addition to the embassy

personnel. The first job for the Italians that the French diplomats might be seized

Tense standoff: French police guard the street leading to the Iranian embassy in Paris

in an ugly replay of the U.S. embassy hostage nightmare of 1979-81. Warned Christian Bourguet, a French lawyer who helps represent the Iranian government in Paris: "The risk now is that the crowds in Iran might do something like what happened to the Americans. That is to say. a veritable invasion of the embassy.

The "war of the embassies" between France and Iran last week resulted in a bitter cutoff of diplomatic relations between the two countries and a heightened confrontation that threatened even more serious hostilities. France broke off relations first, after rejecting an Iranian demand that it give up attempts to question a 34-year-old Iranian who had taken refuge in the Paris embassy about a series of terrorist attacks. Tehran quickly followed suit, and within hours Western news agencies in Beirut received warnings that two French hostages being held by pro-Iranian Islamic terrorists would be killed. The threats came from callers who claimed to speak for the kidnapers.

would be to try to defuse the crisis by negotiating the mutual repatriation of the French and Iranian delegations. French and Iranian diplomats held preliminary talks on Saturday but reached no final plan.

The embassy battles began over Wahid Gordji, an interpreter and the son of a doctor who tended the Avatullah Ruhollah Khomeini during a Paris stay in the late 1970s. French officials sought to question Gordii about bombings that killed eleven people and injured 161 others in Paris last year. Though Gordji has not been charged, he has reportedly been linked by police to a Lebanese who has been charged with complicity in the bombings. French authorities suspect that Gordji may be a leader of an Iranian intelligence network. Police surrounded the 19th century sandstone embassy after concluding that Gordji, who is not protected by diplomatic immunity, was hiding there. Iran brazenly corroborated the hunch: Gordii served as translator at an embassy press conference called to denounce the siege.

The U.S., which has not had diplomatic relations with Iran since 1980, expressed support for France's firm stance. The Reagan Administration was engaged in its own war of words with Tehran. Interior Minister Mohtashami vowed retaliation if the U.S. proceeded this week with its plans to reflag Kuwaiti tankers and use American warships to protect the vessels in the Persian Gulf, Said Mohtashami: "Islamic Revolutionary Guards will turn the Persian Gulf into a graveyard for the Americans. According to some reports, Iran has mobilized seaborne suicide squads, who plan to ram U.S. ships with vessels that have been turned into floating bombs.

In Washington, Senate opponents of the Administration's reflagging plans failed to muster enough votes to call for a 90-day delay in the operation. In the House, tempers flared over a remark by Congressman Les Aspin that the first U.S.-escorted convoy would sail July 22. Aspin, chairman of the House Armed Services Committee, revealed the date after attending an Administration briefing. Republican Minority Leader Robert Michel accused Democrat Aspin of "unforgivable" behavior, but Aspin pointed out, correctly, that Republican Senator Robert Dole had also disclosed the date to reporters.

Nonetheless. White House officials hinted that the inaugural convoy now might begin a day or two after July 22. Though the operation has already been delayed for seven weeks, the Kuwaiti tankers are still undergoing a final U.S. Coast Guard inspection at several undisclosed foreign ports. According to congressional sources, the first reflagged Kuwaiti ship, accompanied initially by the carrier U.S.S. Constellation and then by naval warships, will steam from the United Arab Emirates port of Khor Fakkan on the Indian Ocean to the Kuwaiti port of Mina al Ahmadi, some 675 miles away. After refueling and loading up with oil. the vessel will return to Khor Fakkan. The trip will take about five days: three more convoys are planned for August. No more than five of the eleven reflagged ships will be escorted

Administration officials voiced confidence that the escort is more likely to deter attacks than provoke clashes. They cautioned, however, that the danger of terrorist strikes against U.S. embassies and foreign installations may increase. The spiraling tensions between Paris and Tehran last week and the doubts expressed on Capitol Hill underscored both the dangers of involvement in the gulf and the volatility of Iran's leaders. Even Dole's support for the reflagging sounded wistful. "It's a done deal," he said. "I may not think it's the best tactic, but it's done. The last thing we do now is turn it - By John Greenwald. around." Reported by David S. Jackson/Cairo and Adam

Zagorin/Paris

Thirty-Eight Years Later . . .

Taipei finally gets around to lifting martial law

The year was 1949. Rapidly losing his battle with Mao Tse-tung for the Chinese mainland. Generalissimo Chiang Kai-shek sent his son Chiang Ching-kuo to Taiwan. Strictly policing the island, the younger Chiang helped secure it for more than I million Nationalist refugees against both Communist infiltrators and the 7 million less-than-welcoming native Taiwanese. On May 19, 1949, martial law

Last week, 38 years later, military rule was finally lifted. It was abolished by Chiang Ching-kuo, who succeeded his father as leader of Taiwan in 1975. According to a Western observer in Taipei, the ailing, 77-year-old Chiang "apparently realizes his time is short and wants to assure Taiwan's future political stability

The Reagan Administration quickly applauded the move, urging "continued reform and the development of democratic institutions and processes." Taipei echoed Washington's optimism. Predicted Government Spokesman Shaw Yu-ming: "We will achieve full democracy by the vear 2000.

Though leaders of the opposition Democratic Progressive Party condemned that timetable as "too slow," they grudgingly hailed Chiang's move. Said Chu Kao-cheng, a Progressive Party lawmaker in the Legislative Yuan: "I can't deny that basic human rights will be better off than before." Last week 23 prisoners and political dissidents were released. Still, the Progressive Party, which claims to speak for the native Taiwanese, is not however, is unlikely to accept demands that undercut the near monopoly on political power held by his ruling party, the Kuomintang.

With the lifting of martial rule, civil-



The opposition wants to speed reforms. ians will no longer be tried by military tri-

bunals. The military will also turn over to civilian authorities the power to censor publications. Despite these gains, however, many aspects of martial law, including restrictions on assembly and travel, will remain because of the passage of a new National Security Law by the Legislative Yuan late last month. The new law in effect continues to recognize Taiwan as an integral part of China. Taipei still considers itself the legitimate government for mainland China and rejects all calls for Taiwanese self-determination. Though Chiang has named several native Taiwanese to high posts in his party, the legislature remains largely closed to them. Only 64 of the 319 seats in the Yuan are filled by election; nearly all the remaining 255 seats are held indefinitely by mainlanders who were elected in China before the 1949 exodus.

Despite some opposition to his authoritarian regime, Chiang remains personally popular, even among the 80% of the country's population that is Taiwanese. Indeed, the social stability resulting from martial law may have contributed to the country's impressive economic performance. An island of farmers with no major exports in 1949, Taiwan is now the world's 15th largest trading nation, manufacturing industrial products ranging from microchips to machine tools

Chiang's gradual approach to liberalization is not likely to satisfy the political vearnings of the Democratic Progressives. Yet the opposition, which claims a membership of only 7.000, in contrast to the Kuomintang's 2.2 million, is not likely to pose a significant challenge anytime soon. Still technically illegal until a "civics organization law" is passed at the end of this year or early next, the Democratic Progressives suffer from a bad case of factionalism, which is certain to be aggravated by the recent release of long-imprisoned opposition leaders. Now that they are free again, they are sure to be impatient to reclaim their old political - By Howard G. Chua-Eoan,

Reported by Donald Shapiro/Taipel and Bing W. Wong/Hong Kong

We Say Hello

Washed up on Canada's shore

ike most people in Charlesville, a tiny (pop. 77) fishing community in southwestern Nova Scotia, Janice Hines is usually up shortly after sunrise. One morning last week, however, she rose at 3, awakened prematurely by her dog's barking. As she looked out the window, she saw an amazing sight. There, on the road in front of her house, were dozens of men, many of them bearded and wearing turbans. As she watched in astonishment, they began chanting, "Hello, hello, Refugees!" Recalls Hines: "They were well dressed. They had suitcases, attaché cases and plastic tote bags. They looked almost like tourists.

The visitors were not in Charlesville for sight-seeing. Rounded up by police, the 173 men and an 18-year-old woman were Sikhs, members of a minority religious group in India. They were Canada's latest boat people, who arrived seeking to take advantage of the country's liberal refugee laws. Last August two lifeboats filled with

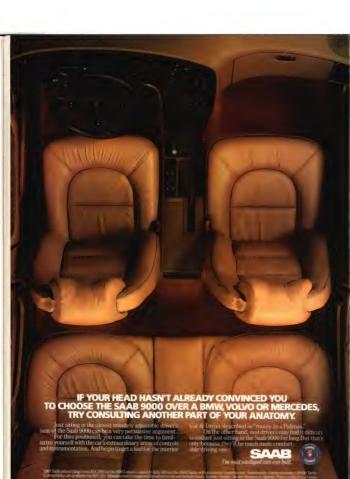
155 Tamils from Sri Lanka were found floating off Newfoundland, having paid for passage from West Germany. The Royal Canadian Mounted Police

arrested Rolf Nygren, 47, and Jasvir Singh, 36, as they returned a rental car in Halifax Meanwhile, a Canadian Forces patrol boat, alerted by a Coast Guard spotter plane, overtook and stopped the 497-ton Amelie, a Chilean-registered ship flying the Costa Rican flag that had secretly left the Dutch port of Rotterdam in late June. Canadian authorities were uncertain whether the immigrants, who paid from \$1,200 to \$2,500 in Canadian funds



for the trip, boarded the ship in the Dutch port or were picked up en route. What they did learn is that by taking advantage of fog that blanketed the coast, the ship's acting skipper, Castor Lasalle, had managed to ease the Amelie inshore. After pleading guilty to violating immigration laws. Nygren was sentenced to a year in iail and Singh to three months. Lasalle got a 30-day jail term

Officials wavered over what to do with the immigrants, who had fled India alleging that the majority Hindus were discriminating against the Sikhs. Many Canadians had been outraged when the Tamils were allowed to remain and applauded a promise by Canada's Conservative government to pass legislation tightening admission requirements for refugees. The bill, however, has not been enacted, and last week's arrivals will be interviewed individually to determine if they are entitled to stay. Because Canadian law allows anyone who claims refugee status to live in the country until all appeals have been exhausted, Janice Hines' early-morning visitors could dwell in Canada for as long as four years even if they are eventually deported .



World Notes



South Africa: the unions sound an increasingly militant note



Disasters: saving a victim from a tidal wave of water and mu

Half Now, Half Later

"I'm here to bury PW Botha. not to praise him," declared Elijah Barayi, president of the Congress of South African Trade Unions, at its convention in Johannesburg last week. The 1.500 delegates roared their approval of Barayi's plans for the South African President, then endorsed the Freedom Charter, the 1955 manifesto of the outlawed African National Congress that calls for an end to apartheid and nationalization of the country's banks, corporations and gold and coal mines

The country's black unions are sounding an increasingly militant note. "We demand the right to share the wealth we produce," declared Barayi. "We don't want all of it. will take later." At week's end the National Union of Mineworkers was poised to strike the country's gold and coal mines, the back-bone of the economy.

SOUTH KOREA

Lots of Kims, But No Kin

Ever since he approved the enactment of democratic reforms last month. President Chun Doo Hwan has been pressured to fill key posts in his Cabinet

with appointees who are not members of the ruling Democratic Justice Party Last week Chun complied-sort of. He replaced eight D.J.P.-affiliated Cabinet officials with men who do not belong to the party. though most of them, like Chun himself, are associated with the South Korean military. He also appointed a new Prime Minister, Kim Chung Yul. 69. a former air force general who served as Seoul's Ambassador to Washington from 1963 to 1967

Opposition Leaders Kim Dae Jung and Kim Young Sam pronounced themselves unhappy with the new slate. Chun's selections, they complained, are still too attached to the Establishment to preside fairly over a referendum on direct election of the President and the subsequent national and the subsequent national year. Given those feelings, it is just as well that neither of the opposition Kims is kim to Prime Minister Kim.

PAKISTAN

Thou Shalt Not Proliferate

Maraging 350 steel is a special steel alloy used in the enrichment of weapons-grade uranium. After a 20-month undercover investigation, federal officials in Philadelphia arrested Arshad Pervez, a Canadian of Pakistani origin, on charges of attempting to export the al-

loy. The apparent destination was Pakistan, which has repeatedly denied charges that its nuclear facility at Kahuta is intended to produce weapons. Democrat Stephen Solarz of New York, chairman of the House Subcommittee on Asian and Pacific Affairs, criticized the Pakistan government of President Mohammed Zia ul-Haaf or showing "blatant disregard" for U.S. antiproliferation laws.

Solarz will hold committee hearings this week to force the Administration to take formal action against Islamabad. A six-year, \$4 billion aid package for Pakistan is up for a vote in Congress this fall.

CHINA

The High Price Of Mercy

An AIDS-stricken American tourist, stranded in southwestern China for a month, was evacuated last week by a U.S. Air Force plane. The flight ended an impasse caused by the refusal of commercial airlines to take the patient home. Brent Anderson, 38, was flown from the city of Kunming to Clark Air Base in the Philippines aboard a specially equipped Air Force C-9 Nightingale and then on to Wright-Patterson Air Force Base near Dayton Anderson was traveling in

China on June 18 when he was stricken with a high fever and taken to a provincial hospital. A blood test showed he had AIDs. Though CAAC, China's flag carrier, agreed to fly Anderson to connecting flights in Shanghai, two US. airlines there refused him passage. After Anderson's family deposited \$40,000 with the US. State Department to pay for the costs, the military flight was arranged.

DISASTERS

Nature Takes Her Revenge

The riverbank campsite in Le Grand-Bornand, France, an Alpine village near the Swiss border, was crowded with holiday travelers on Bastille Day last week. When a violent summer downpour started, many of the 330 French. Dutch and Belgian vacationers took shelter in their trailers and cars. Then suddenly a tidal wave of water and mud cascaded down the river and engulfed the camp area, burying the vehicles and their trapped inhabitants under a mountain of ooze. The devastation killed 23 campers; eight more are still missing.

Forests had been cleared recently on the mountains above Le Grand-Bornand to make ski runs, increasing the danger of Boods. "It was predictable," one villager told the Paris daily Le Figaro. "By deforestation, we've transformed nature. This is her revenge."

Economy & Business

Riding the Wild Bull

Individual investors learn how to play a volatile market and win

atherine Bonner, stock-market player, is not afraid of those brainy, brawny institutional investors who routinely turn Wall Street upside down with their 100.000share transactions. Nor is she intimidated by those high-tech program traders who can send the Dow Jones averages reeling with their computer-powered stampedes In fact, Bonner is not only making what she modestly calls a "good living" in

the market but is earning enough to help out her grandchildren and great-grandchildren too. A highly active investor, Bonner, an 80-yearold Houstonian, has built up a handsome portfolio by studying financial news assiduously, visiting her discount broker every morning and afternoon to keep tabs on the market and making her picks ahead of the professional pack, "I am not all that smart. I've just got some common sense," says Bonner, a former artist and pharmacist. Institutional investors take note: right now Bonner likes oil and pharmaceutical stocks.

Bonner is among millions of individual Americans who are making a private killing in the wild bull market of the 1980s, which will turn five years old on Aug. 13. They have come back with growing confidence to the stock market they fled during the bearish 1970s. "The longer the bull market goes on, the more believers there are," says Charles Neuhaus, a broker for Houston's Underwood, Neuhaus. During the first half of this decade, the number of Americans who own shares in individual companies or stock-market mutual

funds increased from 30.2 million to more than 47 million, according to a study by the New York Stock Exchange. While half those shareholders own stock in only one company or fund, the other 23 million or so include many investors who have turned stock picking into a serious pursuit.

These individuals are reaping lucrative profits during an era in which the big institutional players would seem to have all the advantages: research, resources and speed. While individuals control nearly two-thirds of all stocks, or about \$2 trillion worth, institutional investors turn over the remaining third at such a rapid pace that they account for 80% of all stock transactions. Private investors are much more likely to sit tight with chosen stocks. | Since the beginning of the year the Dow But the more active individuals are finding their own tools and tricks. They now cut the cost of commissions by ordering through discount brokers, follow obscure companies through a growing number of newsletters, keep their holdings in convenient cash-management accounts and even get stock quotations through handheld radio receivers.

RECORD LEAP Dow Jones industrials weekly closings 2510

The biggest boon, however, is the seemingly relentless bullishness of the market. The remarkable run of the Dow Jones industrial average began in August 1982 at the lowly level of 776.92. The Dow, having more than tripled in value since then, is now so high that investors sometimes get a kind of queasy altitude sickness that requires a retreat. That is what happened this spring, when a sizable sell-off sent the Dow tumbling 190 points from a record 2405.54 on April 6 to a low of 2215.87 on May 20. But then the Dow began a summer surge to new heights. Last Friday the Dow closed over 2500 for the first time ever, ending the day at 2510.04, up 54.05 points for the week.

has risen fully 614.09 points, or more than 30%, a bounteous half-year return by any standard. One reason for the latest rally is a huge improvement in company profits. thanks to corporate streamlining and a declining U.S. dollar, which has boosted

export sales Yet the volatility of the market is iniring a mixture of excitement and fear.

since the Dow's stratospheric level gives it a tendency to sweep up and down from time to time by 50 points or more a day. When individuals reap an overnight windfall, they can become manic and even a little careless about where to put the money next. "Clients are calling about speculative stocks that they've heard about at cocktail parties over the weekend. I'm worried about this, says Jerry Tisserand, a broker for Thomson McKinnon Securities at a branch in Evansville, Ind. At the same time, many investors realize that a bear market could hit at any moment. Some become spooked by sudden downdrafts and sell too soon. "It's hard to keep people in the volatile blue chips. They're getting whipsawed," says Richard Geier, a broker for Reynolds DeWitt Securities in Cincinnati

The disconcerting gyrations of the mainstream stocks, which are heavily played by institutional investors, have inspired many private investors to march to a different ticker. They prefer to find lesserknown companies whose stocks are undervalued or potential earnings overlooked. But to arrive at a hot

erty before Wall Street professionals is a feat that requires lots of homework. constant vigilance and a cool head. Says Investor Jeffrey Solomon, a hardwaresales representative based in Great Neck. N.Y., who carries a hand-held stock monitor at all times and studies charts and newsletters every night: "The astute investor can beat money managers. They are human. They panic, become euphoric or get emotional just like all of us." At 32, Solomon has accumulated a five-figure profit pile.

Nearly every investor develops a personal method or specialty. Investor Tedd Determan of Chicago, who puts most of his \$1.4 million portfolio into small, fast-



lackluster earnings and low profiles. Says he: "Well, my stocks are kind of boring actually, and of course they are of no interest to the big investment firms, because the brokers can't tell a good story about them to their clients.

The stock-picking bug has even bitten people who would ordinarily take no pleasure in studying price-earnings ratios and balance sheets. "It's so simple, it's insane. If you do this carefully, it's like picking money off trees," declares Michael Petryni, a Los Angeles screenwriter, sounding more like a TV pitchman. But behind the scenes, Petryni spends at least two hours a day studying financial papers like Investor's Daily and following stock quotes using the same computer terminal on which

he writes his scripts. Many investors are sur-

prisingly daring at an early stage. Fairfax Randall, a Houston homemaker and sometime interior decorator, boosted her portfolio from \$250,000 to \$2 million in just three years by leveraging, or borrowing money to increase her stock-market wagers. But she ventured naively into risky stock options and lost \$1.5 million during the 1981-82 recession. through cautious decisions and hard work, she built her portfolio back to \$2 million. Says she: "The stock market is my absolute love. I don't buy pretty clothes, and I never spend much money on myself. I put it all in the market.

Not everyone is willing to risk such



Jeffrey Solomon

growing stocks, often invests in companies whose products he appreciates as a consumer. A confessed "popcorn freak, he savored the brand made by Golden Valley Microwave Foods, and so he bought the company's stock. It has gone up nearly 70% in value during the past year. In another instance, Determan was so impressed with the service at Jiffy Lube International, a franchised autoservice chain, that he bought 3,000 shares at 91/2. Current price: 15%.

Determan studies annual reports and other documents before taking the plunge, but if he has any remaining questions, he simply calls the company president. That opportunity, he points out, is one of the lesser-noted benefits of investing in small ventures. When he became concerned about an earnings downturn at Innovative Software. Determan called the chief financial officer there, who reassured the investor that the profit slump was "just a glitch." So Determan held on to the stock, which proceeded to zoom from about 10 last November to 22 now, even after a 3-for-

2 split In line with Determan's principle, many private investors like to put their money into ventures they understand or industries in which they have unusual chances to spot a breakthrough product. Says Hugo Quackenbush, senior vice president of the Charles Schwab discount-brokerage firm: "Airline pilots, for example, may know some kind of gadget that is being made by a company that may escape the attention of the big guys on Wall Street.

Some investors succeed by shunning glamour. Russell Faucett, a Los Angeles financial adviser who spends about half his time managing his personal portfolio, looks for sol id, small Rust Belt companies with

tion are earmarked for retirement or education, J.H. Freeman, a 70-year-old former financial manager of a Houston law firm, is primarily interested in steady-dividend income rather than a zooming but precarious stock price. Thus he prefers companies with reliable profits, like power utilities. Though his taste is conservative. Freeman has doubled the value of his portfolio in five years.

or all the variety of their methods. private investors have many common guidelines. For example, many small investors avoid buying individual foreign stocks, since they may setbacks, especially if the savings in ques- have trouble getting timely information

about the securities. Small-time investors generally shun stock options. futures and other risky instruments unless they have carefully constructed a way to use them as a hedge against losses in their commonstock portfolio. Finally, they frequently establish predetermined selling points at which they will dump a stock to cut their losses or capture their gains. Says Melissa Lamb. 28. a Manhattan real-estate broker who is learning the hard way: "I have picked some good ones, but I just wait and wait in the hope of a bigger profit, until all the profit evaporates.

The desire of so many investors to make their own decisions has become a boon for discount stock brokerages. These firms charge smaller commissions than full-service investment firms because, unlike the traditional houses, the discounters provide no advice or portfolio management. For example, on a sale of 100 shares of a \$60 stock, a discounter's commission would be about \$50, in contrast to nearly \$100 at a full-service brokerage. As a result, the percentage of retail stock



Economy & Business

transactions placed with discounters has increased from 8% in 1982 to an estimated 22% this year. Most successful is San Francisco-based Charles Schwab, the largest U.S. discounter, whose revenues have gone up from \$42.7 million in 1981 to \$308.3 million in 1986. Schwab notes that the typical size of the accounts held by its 1.5 million customers is between \$50,000 and \$100,000.

Both discounters and fullservice brokerages have produced a wealth of tools to help individual investors keep up with the technical capabilities of the professionals. Schwab

program called The Equalizer (price: \$99.95), which enables an investor to keep track of a portfolio, place an order and call up stock-price quotes, research reports and financial news. Telemet America, one of the several firms offering hand-held devices for monitoring stock quotes, now



Says one giddy stockholder: "It's like picking money off trees.

of whom are private investors.

For those who want to play the market but lack the time or inclination to gamble on specific stocks, mutual funds have been the answer. Stock funds grew by \$41.7 billion during 1986, a 33.4% increase, to reach total assets of \$166.4 billion. But the number of stock funds, now in the hundreds, has mushroomed so fast that selecting one can be almost as tricky as picking individual issues. Even so, it is hard to go wrong in such a strong bull market. During the first half of the year, the average stock fund rose some 22%

All told, the growth of individual participation in the market should come as a welcome trend for corporate America. The tendency of private investors to put their money on the line for relatively long periods of time is a desirable counterweight to the fickleness

of Wall Street money managsells its customers a personal-computer | serves 16 cities and 10,000 customers, 90% | ers, whose what-have-you-done-for-melately attitude has long bedeviled corporate managers. Average investors tend to be more patient in waiting for results. Fortunately, their patience is not exactly being put to a test these days. - By Stephen Koepp. Reported by Deborah Fowler/Houston and Edwin M. Reingold/Los Angeles

Biggest Little Brokerage

B roker Jerry Tachick depends on a rugged four-wheel-drive Chevy Suburban to reach the homes of many of his clients who live along the unpaved mountain roads of Cody, Wyo. (pop. 8,093). His colleague Jim Sipp of Rexburg, Idaho (pop. 12,084), often dodges feisty farm dogs as he hikes across sprawling potato fields to meet with customers. Meanwhile, Jim Bashor of Anacortes, Wash. (pop. 10,060), spends a good deal of time riding ferries off the Northwest coast to catch up with the salmon fishermen he hopes will buy stocks and bonds from him.

This adventurous trio works for Edward D. Jones, a most unusual brokerage house dedicated to the proposition that eager-and well-heeled-investors can be found almost anywhere among the hills and dales of America. Jones' energetic corps of 1,273 brokers, who almost never set foot in towns with more than 25,000 people, has enjoyed solid success in outposts from Spearfish, S. Dak., to Broken Bow, Neb., that such big-time competitors as Dean Witter Reynolds and

Merrill Lynch have virtually ignored. Based in the St. Louis suburb of Maryland Heights, Jones ranks just 43rd among brokerage firms in total capital (\$82.5 million), but no investment company is represented in more places. Jones has 1,227 offices in 37 states, covering most of the country except the Northeast. Second-ranking Dean Witter has about 660 branches.

Edward Jones, a former bond trader, founded the brokerage in St. Louis in 1922 and ran the business like any big-city firm until after World War II. In 1948, son Ted joined his father and came up with the idea to seek business in the hinterlands. "There were a whole lot of farmers, storekeepers and small-town professionals out there that brokers weren't calling on," recalls Ted Jones, 61, now the firm's senior partner. In 1955, Jones opened its first branch office over the Woolworth's in Mexico, Mo. After growing slowly at first, the company has almost exploded in recent years. A decade ago Jones had revenues of only \$12 million. Last year the firm made a profit of \$34 million on revenues of \$240 million.

The company has prospered by catering to the conservative inclinations of its small-town clientele. "Other firms were advising people to buy and sell," says Ted Jones. "Our advice was to buy and keep." Currently, Jones brokers tend to recommend such blue-chip stocks as McDonald's and BellSouth. By putting down roots in small communities, Jones brokers can get to know their customers especially well. Says Bill Janssen, the Jones man in St. Peter, Minn: "I can work with a customer Friday, fish with him on Saturday and sit next to him in church on Sunday." Last year the average Jones broker made \$105,000, which went a long way in a place like Devils Lake, N. Dak,

Despite its down-home strategy, Jones is no bumpkin in the new world of high-tech stock trading. The company has spent more than \$30 million to become computerized, and plans to lay out an additional \$100 million for advanced equipment, including satellite links between headquarters and the branch offices, over the next four years. Jones has expanded cautiously into the suburbs of Chicago and Kansas City, but the firm still primarily looks for homes where the buffalo could roam. Says Jones Managing Partner John Bachmann: "We're not going to fiddle with the formula that has proved successful." - By Wordy Cole. Reported by Lee Griggs/Maryland

Heights, with other bureaus



Bashor woos clients on Lopez Island, Wash.

Jaws: The Australian

A raider closes in on Texaco

W hen Robert Holmes à Court comes calling, most corporate chiefs hide the company silver. A sly and extraordinarily patient Australian financier, Holmes à Court has built Bell Group, a \$2 billion corporate empire that reaches from oil and gas interests near Tasmania to theaters in London's West End, by capturing troubled companies one at a time. Now the raider is circling around Texaco, and no one is entirely certain of his intentions.

Holmes à Court. 49, made an initial move three months ago, after Texaco was forced into bankruptcy proceedings by its debilitating legal battle with Pennzoil. He

worth of some \$250 million, he is reputedly Australia's wealthiest citizen. A reclusive investor. Holmes à Court prefers being at home with his wife Janet and four teenage children to hanging out at an executive watering hole. To relax, he plays chess against a computer. He owns an extensive collection of mostly Australian art and a stable of some 200 Thoroughbred

Holmes a Court's accumulation of Texaco's stock may be nothing more than a shrewd gamble on the firm's long-term health and its ability to reach a settlement with Pennzoil. Looking at the company's substantial oil and gas reserves and other holdings, most financial analysts think that Texaco's shares are severely undervalued at last week's closing price of 451/4. In the past, Holmes à Court has ended raids on target firms when the price was right. Last August, for example, he said



Robert Holmes à Court with his prize stallion Pago Pago on a stud farm near Perth

A reclusive tycoon who gets his satisfaction from "doing what I'm doing as well as I can.

announced that he had paid \$541 million for 6.4% of Texaco's 242 million outstanding shares "exclusively for purposes of investment." Wall Street experts have wondered ever since whether he might have more than a passive holding in mind. That speculation grew last week as Holmes à Court, who now holds 9.6% of Texaco's shares, said he is seeking U.S. Government approval to increase his stake to as much as 15% of the stock of the third largest U.S. oil company (1986 revenues: \$32.6 billion). That could give him important input into corporate decision making at the beleaguered oil firm

Born in South Africa, the son of a prosperous British rancher. Holmes à Court (the family name dates from the Norman Conquest in 1066) studied law in Perth, in western Australia, and decided to settle there. But the young attorney hit his stride once he got into investing. Often underestimated by his opponents, the lanky Holmes à Court has since 1970 won control of transportation, entertainment. publishing, mining and petroleum concerns around the world. Today, with a net he was seeking a 15% stake in USX. Then, as takeover speculation drove up the price of the stock, he reportedly turned a handsome profit on a block of his shares Still. Texaco may look tempting to Holmes à Court, who has said he wants to establish a sizable U.S. industrial base. Texaco officials welcomed his vote of confidence in the value of their company's shares but said they would fight any attempt to take over the firm

Holmes a Court will not be easily intimidated. He has said he is energized "by doing what I'm doing as well as I can." He may have learned that lesson in a high school physics class back in Natal, South Africa. During a visit to his old school in 1985, he sought out his former physics teacher. Though Holmes à Court had been first in his class, the instructor had written on a test, "Can do better." When Holmes à Court complained to his old professor that the note had rankled for 30 years, the teacher replied, "Well, you have done better, haven't you?" Texaco could answer that. - By Janice Castro. Reported by John Dunn/Melbourne

A Case of **Delta Blues**

Probing an airline's errors

W hat is going on at Delta Air Lines? Hardly a day seems to pass without news of another near disaster involving one of the Atlanta-based carrier's jets. Last week a Delta 767 landed on the wrong runway in Boston and forced a nearby plane to stop suddenly to avoid a crash. Then two Delta jets leaving Los Angeles faced mechanical difficulties. One plane's flight was aborted on the runway because of a malfunctioning warning light; the other took off but had to return to the airport when a pressurization problem surfaced. Those episodes, added to several other Delta mishaps in recent weeks, were enough to make a mockery of its slogan, "We get you there with care." Concerned, the Federal Aviation Administration announced it would inspect the airline's safety procedures.

Delta's black comedy of errors began late last month when one of its jets dropped to within 600 ft. of the Pacific Ocean after a pilot accidentally shut off the plane's engines. The following week, on a stormy night in Kentucky, a Delta flight landed in Frankfort when it was supposed to touch down in Lexington. Two days later one of the carrier's L-1011 iumbo jets was off course and reportedly came within 100 ft. of colliding with a Continental 747 over the Atlantic Ocean.

Individually, each of these incidents could be a rare mistake or malfunction. But together they form a pattern of blunders that calls into question Delta's competence. Said Acting FAA Administrator Robert Whittington: "Each incident apparently involved human error, and this is a matter of great concern to us." agency will examine, among other things. the carrier's pilot-training programs and long-range navigation procedures

Delta says the series of mistakes is an improbable coincidence that will not be

repeated. Says Spokesman Jim Ewing: "We are a straight-arrow company. There is not one shred of evidence' linking the events. Still, Delta has begun its own investigation.

The airline's woes are surprising, given its reputation for reliability. In a Government study released last week. Delta had fewer consumer complaints than all but five of 22 carriers. Most passengers appear unfazed by the airline's difficulties, and few have canceled reservations.

As if Delta did not have enough troubles, a monkey broke loose last week in the baggage hold of a 727 about to take off from Atlanta for Columbus. It took an hour to corral the animal, and the flight was canceled. The incident might normally have been good for a chuckle, but Delta officials are in no mood to laugh.

Economy & Business

The Store That Runs on a Wrench

An invader from Scandinavia creates a build-it-yourself empire

A ta cavernous store in the Washington suburb of Dale City, Va., thousands of shoppers lined up last week with box-laden carts at a battery of check-out counters. A supermarket perhaps? Or a Toys "R" Us store? No. these bargain hunters were buying furniture. The boxes of all shapes and sizes contained build-it-vourself kits for assembling everything from chairs to cabinets. It may seem an odd way to fur-

nish a house, but not to the throngs of customers who were grabbing, hauling and finally

staggering out of the store. The commotion was stirred by the annual sale taking place at the two new American outlets of IKEA, the Scandinavian retailer of unassembled furniture and other household goods. While most Americans have never heard of IKEA, the chain had \$1.7 billion in sales last year at 76 stores that stretch from Norway to Australia. Already one of the fastest-growing merchants in Europe, where 51 of its stores are located, IKEA is now successfully bringing its pizzazz and promotion to the U.S. The company put a store in suburban Philadelphia two years ago and followed with the Dale City outlet in 1986. A third branch is scheduled to open in 1988 near Baltimore.

What sets IKEA apart is that much of its merchandise is sold apart. Buyers must assemble the kits at home, using sparsely worded drawings, a screwdriver and a little hexagonal allen wrench that IKEA supplies to install the special holts in its furniture. IKEA gets promotional mileage even from

the wrench: it appears everywhere in the store, talking in cartoon balloons and giving advice about such things as the store's return policy and its delivery service. The allure of the unassembled products is that they sell for at least 30% less than finished furniture of comparable quality. Customers do not seem to mind putting their bargains together. In its first 15 months of business, the Dale City IKEA has assembled some \$40 million in sales.

Last week everyone from Virginia and Maryland housewives to Capitol Hill secretaries and foreign diplomats were streaming to Dale City to take advantage of discounts of up to 70% off IKEA's regular low prices. A sofa that normally goes for \$195 was \$95, while \$69 dining-room chairs were marked down to \$49. The 3.5 million people in the Washington area could hardly miss the 330 radio and TV

commercials touting the sale-or the double-page ad in the Washington Post. City buses winked with the company's cryptogram: an eye and a key followed by "ah!" The hoopla brought out 10,000 shoppers on the first day of the sale.

The IKEA experience is instant gratification cloaked in cleverness. Upon entering a store, parents can deposit children in what IKEA calls a ballroom,



A throng of 10,000 flocked to the first day of the Dale City sale



le their own furniture for savings of at least 30%



Parents drop their children in the ballroom

essentially a giant box filled with thousands of brightly colored balls that becomes a delightfully diverting wallowing ground. Supplied by the store with a 196-page catalog, note pad, pencil and measuring tape, shoppers then stroll through seductively decorated settings of furniture from 1,500 worldwide suppliers. Office chairs? IKEA has 14 designs. Lamps? There are versions that stand and hang and squat, each labeled in English, Danish, German. French and Swedish. The displays include kitchen tables from Rumania. nightstands from Italy, bookshelves from West Germany, desks from

Yugoslavia and mattresses (no assembly needed) from Canada.

Sometimes, though, shoppers are dismayed by SORRY OVERSOLD tags on popular pieces. Though some frustrated customers think IKEA is always out of all the goodies they want the actual total hovers at 200 to 300 of 13,000 items. To keep prices down, IKEA buys a whole year's supply of goods in advance for all its stores throughout the world, then bets that its projections are right.

An average of 400 Dale City customers a day dine on Swedish food in IKEA's strategically located restaurant, just off the showroom floor. Mostasked-for dish: Swedish meathalls. Says Micha Baur, the West German who is the store's manager: "Very often people make their buying decisions in our restaurant. You can overhear them. 'Should we buy this table or that table? What do you think, honey?" After making the choice, shoppers proceed to the self-service warehouse, where they find the goods on neat rows of shelves.

IKEA is run by missionaries who were charged up by Ingvar Kamprad, 61, a Swede who started the company when

he was only 17. He synthesized the name IKEA from his initials and those of Elmtarvd, his family's farm, and Agunnaryd, the community where he grew up and where he began the business some 40 years ago by selling ball-point pens through the mail. IKEA's management is still youthful, light on titles and neckties and thoroughly gung ho. The spirit is whipped up in seminars for employees on "the IKEA way." One thing stressed in the sessions: everyone has a right to make mistakes, so long as they learn from them.

After making such a promising start in the U.S. IKEA is hoping to expand across the country. Says an excited Bjorn Bayley, president of IKEA's North American operations: "What will really be fun is when we get to places like Minnesota. They still speak Swed-- By John S. DeMott/Dale City ish there.

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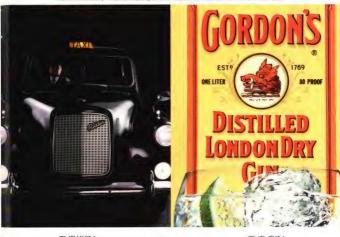
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News that could help save your life is making news.

THE NEW YORK TIMES, FRIDAY, OCTOBER II, 1985 Aspirin Called Aid Against 2d Heart Attack By PHILIP M. BOFFEY would indicate the Aspirin a day may prevent heart attacks by 50% vere irregularities in overall results indicated that an ago, the beert was all the see 10,000 to 20,000 revenue when we patients who patients with a contract with the contract was all the t Aspirin prevent heart attacks? that (though the studies, some of which (the blood that play a role of the play and the studies, some of which (the sendoring the play and the play to four years, were not our of the play to four years, were not our of the play to four years are not of the play to four years reasonable the sould four and the play to four years reasonable the sould four and the play to four years reasonable the sould four and the play to four years reasonable the sould four and the play to four years are not to be a four the play to four years and the play the pla An aspirin a day keeps hearts ok announced today is an cardiac defibrillator. els, carejas defibrillator," developed by ably intee Systems inc., of Pittaburgh, and such inflateured by Cardiac Pecema as Inc., of St. Paul, by Cardiac Pecema as Inc., of St. Paul, by Cardiac Pecema as Inc., of St. Paul, by Cardiac Pecema as Cardiac R. Is. mplantable developed by Aspirin May Reduce Heart Attack Chance pin Dr. Frank E Young, the first of the firs

rin to a 6 percent chance with aspirin. Federal officials said the seven studies were not "equally convincing" but taken together, provided evidence of a modest but worthwhile effect in eart attack victims and a more strikin patients with unstable wigina. he aspirin is thought to achieve its

See Your Doctor.

If you've had a heart attack or suffer from the occasional pain of unstable angina, talk to your doctor. He or she can tell you about new ways to prevent a heart attack.

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Business Notes







Personal finance: Big Spender Levine

Taxes: all of a sudden, a penny saved was a penny seized

PERSONAL FINANCE

\$412,000 Hole In His Pocket

He spent \$30,000 for baby-sitters, but even to a man with such a budget, \$412,000 is not peanuts. That is the amount of money unaccounted for in a court report on the finances of Dennis Levine. the former Wall Street investment banker who pleaded guilty to an insider-trading scheme that netted him \$12.6 million in illegal profits.

Currently serving a twoyear term in the federal penitentiary at Lewisburg, Pa., Levine detailed for the court a spending spree that lasted from 1980 until his arrest last year. He paid \$450,000 to renovate his eight-room Park Avenue apartment and bought his wife a \$15.750 diamond necklace. What about the money unaccounted for? Levine says he lost part of it, about \$200,000, while gambling during 27 vacations in the Bahamas. His luck, it seems, began to run out long before investigators caught up with him.

AUCTIONS

What Am I Bid For This Mall?

International art collectors may be surprised at a Christie's catalog this fall. Instead of rare Renoirs, Turners and Manets.

they will behold photos and descriptions of shopping malls. office buildings and hotels worth at least \$5 million aplece. In November the London-based art auction house plants to team up for the first time with Cushman & Wakefield, a glant Manhattan realty firm, to put some \$100 million worth of prime U.S. commercial real estate on Christie's Park Avenue auction block.

The sale will be open to telephone bidders worldwide, but no specific offerings have been announced. It will take one of the sale's more expensive properties to beat Christie's fine-arts record: the \$39.9 million a Van Gogh painting brought last March.

TAXES

Turn Over That Piggy Bank!

The case might have surprised even Benjamin Franklin, who said that "in this world nothing is certain but death and taxes. Last week nine-year-old Carmin Fisher of Junction City. Ore., found out that the Internal Revenue Service had seized the \$70.76 in her account at a local bank. Her grandmother Bettye Fisher received a bank statement indicating that the IRS had taken the girl's money as partial payment for a delinquent tax bill of \$21,182 owed by her grandfather Charles Fisher. Since the age of two, Carmin had been putting pennies into a coffee can labeled with another adage reflecting Franklin's sentiments—A PENNY SAVED IS A PENNY EARNED—and gradually transferring the money to the bank account.

When a local newspaper publicated the story, area residents collected enough pennies to reful her can and then some. But the same day, the IRS returned the money, saying the seizure was a mistake, probably caused by the agency's assumption that the grandmother, who was listed as Carmin's guardian, held the account. "The IRS is satisfied that money does not belong to the tax."

guardian, held the account. "The IRS is satisfied that money does not belong to the taxpayer that owes the Government money," said an agency
spokesman. Carmin, meanwhite, celebrated the news,
and escaped the summer heat,
by frolicking in the cool spray
of a garden hose.

CBS Erases Its Place in Print

BROADCASTING

Should a premier broadcaster also try to be a major power in the print field "Apparently not in the opinion of Laurence Tisch, who became chief executive of CBS last September and has since been slicing away operations not related to broadcasting. The process accelerated last week, when CBS agreed to sell its magazine group to four division executives for \$560 million. Among

the 21 CBS titles: Woman's Day, Car and Driver and Stereo

As part of the sate, CBS will unload the magazines it bought from Ziff-Davis in 1985 for \$362.5 million. CBS was criticized for overpaying for those publications, but industry experts say the network got a good deal this time.

EMPLOYEE RELATIONS

Color Them Embarrassed

When EF Hutton talks to its employees these days, they are expected not only to listen but also to take out their crayons. Last week the firm began distributing, at a cost of \$50,000. The Huton Neighborhood Coloning Book and a box of crayons to its 18,500 workers. The purpose is to boost staff morphose in the control of the control of the control of the company's \$90 million loss last year.

The book tells of troubles in the E.F. Hutton neighborhood slumping lemonade sales and rough times with kids like Merrill Lynch. Presenting a "vision of what we can be," the book urges employees to do "much more with much less." But the attempt at spirit lifting may backfire. "Disgusting," said an executive. "We would prefer to think that management could communicate with us in an adult flashion."

TOSHIBA CORPORATION EXTENDS ITS DEEPEST REGRETS TO THE AMERICAN PEOPLE.

Toshiba Corporation shares the shock and anger of the American people, the Administration and Congress at the recent conduct of one of our 50 major subsidiaries, Toshiba Machine Company, We are equally concerned about the serious impact of TMC's diversion on the security of the United States, Japan, and other countries of the Free World.

Toshiba Corporation had no knowledge of this unauthorized action by TMC. And the United States and Japanese Governments have not claimed that Toshiba Corporation itself had any knowledge or involvement.

Nevertheless, Toshiba Corporation, as a majority shareholder of TMC, profoundly apologizes for these past actions by a subsidiary of Toshiba.

As a measure of personal recognition of the grievous nature of TMC's action, both the Chairman and the President of Toshiba Corporation have resigned. For the Japanese business world, this is the highest form of apology.

 In TMC, the subsidiary where the diversion occurred, wrongdoers are now being prosecuted.

For the future, Toshiba Corporation takes full responsibility to insure that never again will such activity take place within the Toshiba Group of companies.

We are working with the Governments of the United States and Japan in this endeavor.

The relationship of Toshiba Corporation, its subsidiaries and their American employees with the American people, one marked by mutual trust and cooperation, has developed over many years of doing business together. We pledge to do whatever it takes to repair, preserve, and enhance this relationship.

Toshiba Corporation already has begun to take corrective measures throughout its hundreds of subsidiaries and affiliate companies:

 We immediately directed all our companies to institute stringent measures guarding more securely against this kind of misconduct.

■ We obtained the resignation of the President of TMC and the three other Board members who had corporate responsibility for the conduct of those TMC employees actually involved.

• We also obtained TMC's commitment to stop exports to the Soviet Bloc countries for an unlimited time.

• We have authorized an extensive investigation to find all the facts concerning TMCs actions and to design safeguards to prevent repetition of such conduct. This investigation is being directed by American counsel, assisted by a major independent accounting firm.

 We will discharge all officers and employees found to have knowingly participated in this wrongful export sale.

 We have appointed the former senior auditing official of Toshiba Corporation to TMC's Board with direct responsibility for Toshiba's policy of full observance of the law and of Japan's security arrangements with its allies.
 We are going to develop a rigid compliance program

 We are going to develop a rigid compliance progra in cooperation with the Governments of Japan and the United States

 We intend to establish Toshiba's new compliance program as a model for all future export controls throughout Japanese industry.

In its 22 years of doing business with the United States, Toshiba Corporation has been a leader in introducing American products to the Japanese market, and also has significantly shifted the manufacture of Toshiba products to the United States. At I time when many of the U.S.-based corporations competing with Toshiba are moving production facilities and jobs abroad, Toshiba's American companies are steadily expanding the extent to which their products are manufactured in the United States. Today, Toshiba employs thousands of Americans in 21 states from New York to Texas to California. It is these Americans who have played a large and crucial part in earning Toshiba its reputation for producing top quality products, reliable service. and ongoing innovation that millions of American consumers and industrial customers know they can trust.

These bonds of cooperation are signs of our commitment to America. We earnestly wish to continue our efforts to develop our relationship with America.

We ask our American friends to work with us and help us to do so.

Joichi Aoi President/CEO

nsibility for the conduct of those TMC employees

Toshiba Corporation by involved.

Press

Some Hits, Some Runs, One Error

Max Frankel is taking command at the New York Times

W hen readers of the New York Times glanced at the paper one morning last week, coffee cups rattled and bleary eves widened. There, across two columns at the top of Page One, was an extraordinary mea culpa: A CORRECTION: TIMES WAS IN ERROR ON NORTH'S SECRET-LUND TESTIMONY. Two days earlier the

Times had reported that Lieut Colonel Oliver North testified that the late CIA Director William Casey wanted to use the profits from arms sales to Iran to set up a covert-operations fund that would be kept secret from Ronald Reagan. In fact. North testified only that the President was unaware of the talks about the account and that North and Casey did not discuss whether it should be hidden from him

It was right for the Times to admit the error, but the prominence of the correction dismayed some staffers. Craig Whitney, the Times Washington bureau chief, said he felt "immense surprise" when he saw the headline. At the

Times's New York City newsroom, where the tiniest changes are often analyzed more carefully than seating plans at the Kremlin, reporters debated the propriety of the correction. All agreed, however, that it was the most remarkable sign yet of the controlling hand of Max Frankel. who became the paper's executive editor in November

After editors in New York discovered the mistake, Reporter Fox Butterfield. who wrote the initial story, drafted a correction. Whitney and the editors eventually agreed that the error should not simply be noted on page 3, where mistakes are usually acknowledged, but be placed on the bottom of the front page. Frankel, however, decided to put the correction at the top. "We felt we had to tell the world loud and clear. 'We were wrong,' " he said. "We are laying down history

The correction was another blow to Times's Washington bureau and Whitney, who was appointed by Frankel, In June, after Whitney had sent a letter to presidential candidates asking for personal documents, plus access to psychiatric records and FBI files. Frankel issued a memo saying the request had gone "too far." A few days later Frankel sent a memo chastising the bureau for "lassitude" in following up Washington Post scoops. Admitted a Times staffer: "Let's face it. we were getting clobbered on the Iran-contra story

Frankel, who served as Washington bureau chief from 1968 to 1973, points out that there have always been tensions be-Frankel is particularly sensitive about the

tween New York and the capital's reporters. "Creative friction is unavoidable." he says. Some Times staffers speculate that paper's coverage of the current scandal

New York Times A Correction: Times Was in Error PO On North's Secret-Fund Testimony Colonel, at Hearings, Has Not Said That President Was to Be Kept in the Dark About the Project

At the beim: the executive editor at work Uncovering stones to see what's underneat

because he headed the bureau during the early days of Watergate, when the Post regularly heat the Times.

Since he took over last fall. Frankel has tinkered with both the look and content of the Times. He has increased the number and size of photographs. He rescinded an archaic rule that reporters could have only one byline in an issue, introduced double bylines on a single story. and allowed the word gay to be used to describe homosexuals-a radical decision for a paper that only last year accepted the use of Ms

Frankel has beefed up the paper's metropolitan reporting, stressing more coverage of minorities, the poor and AIDS. He has emphasized analytical pieces (a traditional Times strength), encouraged brighter writing, and varied the front page's hard-news diet with softer, more featurish stories. High on Frankel's list of current projects: a revitalization of the Sunday magazine. which many staffers feel has grown moribund. (The magazine was the subject of a Times correction two weeks ago, after it published a misleading article about how a New Jersey secretary had made it as a novelist. She turned

out to be a Harvard graduate who had worked for a New

York publisher.)

Frankel has brought a relaxed, open atmosphere to the newsroom. In contrast to the autocratic style of his predecessor A M Rosenthal Frankel mixes easily with reporters. chatting with them at their desks and often lunching in the company cafeteria. Frankel not only showed up at a recent staff party but boogied on the dance floor. His one controversial edict: banning smoking in the newsroom, which caused grumbling from tobacco addicts but forced Frankel to give up his beloved pipe. Observes retired Times Editor Harrison Salis-

bury: "He has introduced a more benign and gracious manner of run-

ning the paper

Although Frankel has ordered that henceforth one out of every two reporters hired must be a minority member. many of the paper's 40 black reporters and editors (out of a staff of 1.000) remain dissatisfied. They complain that they are routinely passed over for choice assignments and that the paper fails to reflect fully the views of the black community. "We thought things were going to change," says a minority reporter, "but we really don't see any of it.

Of course. Frankel has been in charge only nine months; if he serves until he is 65, the paper's mandatory retirement age. he has eight more years in which to make his mark. "I'm still learning," Frankel insists. "I'm turning over stones and asking, 'Why are we doing it this way instead of that?' "Frankel has set up several bluethat? sky committees, in which reporters offer ideas for the paper's future. Last week the paper announced plans for a new \$400 million printing plant that will allow for more color pages in its Sunday edition. Times executives stressed that there are no immediate plans to introduce color in the news sections, assuring readers that they will not wake up some morning to discover even more dramatic changes in the venerable

Times. - By Laurence Zuckerman. Reported by Bonnie Angelo/New York and Alessandra Stanley/Washington

Behavior

"Time Bombs on Legs"

Violence-prone owners are turning pit bulls into killers

Fire burst from its open mouth, its eyes glowed with a smouldering glare, its muzzle and hackles and dewlap were outlined in flickering flame. Never in the delirious dream of a disordered brain could anything more savage, more appalling, more hellish, be conceived than that dark form and savage face.

t is as if the vicious hound of the Baskervilles that burst upon Sherlock Holmes out of the fog has returned to haunt the streets of America. The creature last week attacked a 71-year-old woman in Stone Mountain, Ga., dragging her across her driveway and savaging her so badly that she required 100 stitches. It snapped and tore at an unemployed man as he watched the July 4 fireworks in Rochester; last week he died from his multiple injuries, including a 15in wound from calf to thigh. And in Atlanta. Houston and Ramsay, Mich., it has seized small children like rag dolls and mauled them

bloodletting. can pit bull, a dog with a squat, muscular body and thick, steel-trap jaws that is descended from the fighting bulldogs of 19th century England. In 2% years it has been responsible for 16 deaths across the country, six of them in the past year, leading many municipalities to pass laws to restrict ownership. It is estimated that there are now 500,000 unregistered, often poorly bred nit bullterriers in the U.S. So fearsome is the dog's reputation that it has become imbued with much the same malevolent aura as the beast in Arthur Conan Doyle's story. That is exactly the effect sought by some owners, among them dog-fighting enthusiasts, members of street gangs and drug pushers, many of whom use revolting and painful techniques to bring the animals to the verge of bloodlust

Officials of animal-protection societies tell of pit bulls being given live kittens or small dogs, such as poodles, to tear apart. Often they are fed gunpowder or hot sauce in the mistaken belief that this will increase the animals' pain threshold. Jean Sullivan, director of the Memphisbased Humane Society, charges that some owners have tried to increase their dogs natural aggressiveness by keeping them tied up with collars of baling wire or run-

ning them on treadmills until they are exhausted The pit bull's jaws-which can exert as much force as 1,800 lbs. per sq. in .- are strengthened by swinging the dog on a rope, its teeth clamped to a tire. This, she says, makes the animal a "lethal weapon. They hang on until their prey is dead." Such techniques, says Franklin

death in a frenzy of All muscle and steel-trap jaws: a three-year-old pit bull in New York City

The new canine terror is the Ameri- | Loew, dean of the Tufts University veteri- | and dog as akin to a "horror movie," with nary school, turn the dogs into "time bombs on legs." Many are used for highstakes dog fighting, which has a sizable nationwide following, even though it is a felony in 36 states.

Ferocious pit bulls can be seen any



"Steady temperament and intense loyalty" Austin Kear, 4, of Yonkers, N.Y., and per

day with their drug-dealer owners on the corner of Ninth and Butler streets in North Philadelphia. The dogs, with names like Murder. Hitler and Scarface. wear metal-studded collars concealing crack and cocaine and the day's proceeds. They are equally visible on Chicago's West and South sides, where teenage boys have taken to brandishing their fierce pit bulls just as they would a switchblade or a gun "It's a macho thing, like carrying a weapon," says Jane Alvaro of the Anti-Cruelty Society

Why are so many Americans indulg-

ing in this orgy of pain and violence? "The dogs are almost like an extension of the owners' egos," says Orville Walls, a Philadelphia veterinarian. "The owners think, I may be low man on the economic totem pole, but I have the meanest, toughest dog on the street," Owning a pit bull, says Robert Armstrong. Houston's chief animal controller "is a warning to others to stay off the side-Randall Lockwood of the Humane Society notes that the animals have become increasingly popular as dog fighting has moved from rural areas into cities. They appeal "to the disfranchised and the unemployed. The owners themselves are often violent." Tufts' Loew

maladiusted owners training their dogs to be an "extension of themselves

sees the bonding of owner

As a result of the growing fear of these killer dogs, responsible owners have been put on the defensive. The name pit bull loosely applies to a crossbred strain of the American Staffordshire terrier and the American pit bullterrier as well as to other varieties. The most ferocious dogs, says Pat Owens, director of the Women's s.P.C.A. of Pennsylvania, are crossbred with German shepherds or Doberman pinschers Richard Laue of the Northern California Pit Bullterrier Association accuses these "backyard breeders" of producing unpredictable "garbage dogs."

Despite the dogs' bloody reputation, owners such as Laue insist that purebred pit bulls have a "steady temperament and intense loyalty." Indeed, breeders believe that in time the animal will regain its gentler image of the 1930s, when a pit bull played Pete in the Our Gang films. Only 30 years ago. notes Ed Almeida. a dog trainer in El Monte. Calif., the Doberman was the most vicious of dogs. Now, he says, after years of careful breeding, Dobermans are "big boobs" compared with the nit bulls By David Brand Reported by Scott Brown/Los Angeles and D.

Blake Hallanan/New York

Law

Casting a Net at Green River

A serial-murder manhunt remains a study in frustration

scavenging for aluminum cans in a ravine south of Scattle late last month, they found much more than they had bargained for. Nestled amid the weeds and debris near the bottom of the slope was a human skull. The next day police uncov-

ered the remains of Cindy Anne Smith, a 17-year-old King County woman who had been missing for more than three years. The grisly discovery brought to 37 the number of young women murdered in a series of slavings that has baffled police since July 15, 1982. when the first body was pulled from the county's Green River. After five years, the killer is still the object of one of the biggest and most frustrating manhunts in the country

All the murders are believed to be the work of a single suspect, quickly dubbed the "Green River have ended his monstrous

killer may have murdered as many as 46 victims, since nine local women remain missing and are presumed dead by his hand. By contrast, John Wayne Gacy, convicted in 1980 of more murders than anyone else in U.S. history, was found guilty of killing 33 boys and young men.

Even though the Green River killings seem to have ended, police are unsure whether the murderer is dead, has moved elsewhere or is just lying low. Indeed. despite the use of the most modern techniques, thwarted investigators know very little about this killer except that his primary targets are young prostitutes and that his lethal attacks may involve a repertory of strangulation, bludgeoning and sexual assault.

The hunt for the Green River Killer has pulled together police resources from throughout the Seattle area. but to little avail. A task force that currently includes 19 detectives, two FBI agents and a computer expert has already spent some \$10 million and investigated 1,300 suspects. Yet an additional

When Waylon Nickell and Donald Seek of King County, Wash., went that can take anywhere from an hour to

One factor that has stymied investigators is the transient status of most of the victims. Many had few family ties; many were last seen alive hustling on the Sea-Tac strip, a three-mile stretch near the Se-

Killer," who appears to Forensic archaeology: task force's Nolan alongside a partial gallery of victims

dy Anne Smith, for example, was, according to authorities, a runaway at 13 who sometimes supported herself as a topless dancer. Another victim. 15-year-old Carrie Ann Rois, was a streetwalker for three months before she disappeared in May 1983

Parsing A Sentence

Are the feds out to get Norman Mailer? The Pulitzerprizewinning author (The Executioner's Song) charged last week that two friends convicted on drug-smuggling charges

were given heavier sentences to pressure them into implicating him. Mailer was a character witness in the 1983 trial of Writer Richard Stratton and the 1984 trial of Literary Agent Bernard ("Buzz") Farbar, but denies having been

an accomplice. "I made no Fifth Amendment claim then. and I didn't need to," he says. Mailer spoke up after nine prominent writers, including William Styron and Nora Ephron, published a letter in the New York Review of Books charging that Farbar was denied early parole because of his refusal to finger Mailer.

Justice Department officials think Farbar knows more than he is telling, but decline to say Mailer is a target. Authorities say their insistence that Farbar serve 46 months of his six-year sentence is within stan-

dard guidelines.

Some of the victims were never reported missing, and others were dead and buried for more than two years before police uncovered their remains. The result is less normal police work than what Lieut. Dan Nolan, a police task-force commander, calls forensic archaeology. Investigators have made computerized topographical maps of sites where a body was discovered, combed each area with tweezers, and sifted through tons of dirt for bits of evidence as tiny as a fingernail. The police have even scanned bird nests on the off chance that they might contain a tell-

tale stray fiber. In 1984 the task force spent \$200,000 on a VAX minicomputer and then spent more than two years pumping more than a million bits of information into it. A specially designed software program helps detectives wade through crushing amounts of data on suspects, police tip sheets and details of similar homicides elsewhere in the country. Says Crime Analysis Supervisor Chuck Winters: "The computer is the heart of the investigation. But it's old-

fashioned police work that

So far, it hasn't. After

will solve this case.

more than three unsuccessspree in March 1984. Over 20 months, the | attle-Tacoma International Airport. Cin- | ful years of searching for the killer, morale on the Green River task force has occasionally withered. The force has shrunk from 55 staffers last fall, its highest number, to the current complement, as personnel have been redeployed to join the fight against Seattle's growing drug problems.

Surprisingly, many Seattle residents seem unperturbed that the killer is still at large. "People hear the word prostitute and don't perceive it as their problem," says Task Force Detective David Walker. Pierce Brooks, an investigative consultant who worked on the California Onion Field killing of the 1960s and the Atlanta child murders of 1979 to 1981, believes the Green River slayer's name is already in the task force's files Says Brooks: "The only way you're going to dig the name out is to hang on and keep going."

> concerns investigators: that the Green River Killer may emerge from his hibernation and provide fresh clues in the form of fresh victims. - By Cristina Garcia/ Seattle

But another prospect







Liberace, dead at 67



Michael Bennett, dead at 44



Bock Hudson dead at 59

Show Business

How Artists Respond to AIDS

Commemorating its victims with benefits, new works and quiet heroism

adonna strode onstage, and 15,000 fans went bats. "It feels great to be in a house full of people who care, she told the Madison Square Garden crowd. "AIDS is a strange and powerful disease. But we're more powerful." Then Madonna, who lost her "best friend," Painter Martin Burgoyne, 24. to AIDS, rocked the Garden with old songs given pertinent twists. As she sang Pana Don't Preach, the screens flashed Ronald Reagan's image; at song's end, they bore the message SAFE SEX. Everyone got the message from the concert, which raised \$400,000 for the American Foundation for AIDS Research (AMFAR), and from a comic book about AIDS. "Read this booklet." a handwritten note urged, "then give it to your best friend. It just might save his or her life. It just might save your own. Love. Madonna. That same night last week, another

Manhattan audience gathered for a more poignant celebration. Charles Ludlam, the wondrous star-playwright-designer-director of Greenwich Village's Ridiculous Theatrical Company, had succumbed to AIDS in May, at 44. Now 1,000 of his admirers crammed into the Second Avenue Theater to watch excerpts from his ebullient farces and to pay tribute to the artist whom Playwright William M. Hoffman called "the funniest man in America." Madeline Kahn recalled her college days with Ludlam. Joseph Papp and Geraldine Fitzgerald spoke of his prodigious energy. Finally, Everett Quinton-Ludlam's colleague and for years his lover-walked onstage to a standing ovation. Throughout the evening he had manfully cavorted through such roles as Flosshilde in Der Ring Gott Farblonjet, Alice in Conquest of the Universe or When Queens Collide and Lamia the Leopard Woman in Bluebeard. He waited for the cheers to subside and said, "I never felt so alone in my life."

Hope, pugnacity, desperation. And the entertainer's belief that, against fatal odds, the show must go on. These may be the



Madonna at last week's AIDS benefit show

only enotional weapons no artist can marphal against a discommunity. Sur-outer data statements and the statement of the statement of the statement of the statement and the Ludium memorial have become and the Ludium memorial have become depressingly frequent occasions for New York's beau monde In October, 13 prominent dance companies will appear in Duncing for Life. which should rause \$1.5 cm. Uniling for fur large group. In November, Leonard Bernstein, Luciano Pavarotti. Leonard Bernstein, Luciano Pavarotti. Leonard Bernstein, Luciano Pavarotti. Leonard of the Indianates will milling for the Gip Men's Health Cruss. When artists are not ralliving the self-

heeled roops, they are struggling to transform their feelings about AIDs and Gasferers into art. Theater has already ferers into art. Theater has already produced a shelf of contentious dramatic literature. Hoffman's As Is, Larry Kramer's The Normal Heart. Harvey Fierstein's Safe Ser. Robert Chesley's Jerkeru. The D.C. Cabaret Troupe is performing its new musical. A Blowe dealins Hardiness to make the produce of the Chesley's Jerkeru. The D.C. Cabaret Troupe is performing its performance musical. A Blower dealins Indicates the musical Albert dealins Indicates the Chesley Service of the Chesley Service of the broad cast the first AIDs TV move. As Exemy Annong Us. in which a Leenager gets AUDs from a transfission.

Hollywood, ever cautious, has yet to make an AIDs film, although The Normal Heart may soon to produced by Barbas Streissand. Nor have rock musicians, trapped in machismo, done much to raise money and consciousnesses in pop music, that is mostly women's work. And women, like Madonna, are doing splendidly. Dionne Warwick's megahit single That's What Friends Are For raised more than \$1.

million for AMFAR. Cyndi Lauper's royalties from Boy Blue, about a friend who died from the disease, will go to New York City AIDS research and patient care. Says Elizabeth Taylor, a ferocious fund raiser for AIDS research: "Since we began fighting this tragic disease, the most loyal, courageous support has come from the artistic community. The irony is that AIDS has decimated the arts, and every day we lose some of the greatest talent of our time to this hideous disease.'

The roll call is heartbreaking. Broadway's top musical showman, Michael Bennett, dead last month at 44. Manhattan Art Dealer Xavier Fourcade, 60. Fashion Designers Willi Smith, 39, and Perry Ellis, 46. Makeup Artist Way Bandy, 45. Charles Ward, 33, who left the American Ballet Theater to go Dancin' on Broadway. Production Designer Bruce Weintraub (Prizzi's Honor). 33. Allan Estes, 29, founder of San Francisco's Theater Rhinoceros. An appalling 27 deaths in the San Francisco Gay Men's Chorus. To list them and their dying or dead brothers is to compile a journal of the plague years.

he plague carries its own stinging stigma, in that most AIDS victims have been homosexual males. Thus there is ambivalence among artists when the media disclose deaths caused by AIDS. Is the press spreading information or incrimination? Further, artists do not die only of AIDS, and the disease does not kill only artists. Says Hoffman: "I was going through my address book

the other day to see who was gone. Among the 16, there was a plumber, a computer genius, a cop. AIDS attacks a cross section of humanity. But artists get the notoriety, and that gives people a false sense of security. I think that's dangerous.

And artists' friends comfort the afflicted. Manhattan Gallery Owner Holly Solomon knows dozens of AIDS victims. "One night this April," she recalls, "I went to Willi Smith's memorial. Then to Fourcade's funeral on Friday morning. That same week Tucker Ashworth [p.r. chief for the city planning commission) became very very ill. At his home I held him in my arms and tried to console him. He died about a month later." The disease infects her business as well. "One day a woman called me to sell paintings her son had collected. He died when he was 31: she couldn't stand the reminders

Hollywood can't stand to think much about AIDS either. The disease's two most celebrated victims, Liberace and Rock Hudson, may have worked there, and the movie industry may have nearly as high a concentration of gays as New York City. But the town has not been devastated by AIDS Says a writer: "In the top echelons of Hollywood, people are always looking over their shoulder. Caution leads to sexual sobriety, and that could save their lives."

San Francisco has lost too many livesthe highest proportion of any major U.S.

city-in and out of the arts. Moby Dick Records, an independent label with several popular disco disks in the early '80s, folded in 1984 after seven of its ten core employees died of AIDS. IN MEMORY OF THOSE WHO HAVE MARCHED ON reads a plaque at the base of the stairs leading to the offices of the San Francisco Band Foundation; it tallies





Quinton, top right, in Queens Collide; Kahn Paying tribute to America's funniest man.

twelve AIDS deaths, including that of Jon Sims, 36, the charismatic founder of the Gay Freedom Day Marching Band & Twirling Corps. Theater Rhinoceros has lost seven actors, directors and playwrights since 1984 Of the six actors in the company's production that year of C.D. Arnold's King of the Crystal Palace, four have died and one now has AIDS. "A nurse in my latest play says. 'I'm sick of all this sick-Arnold notes. "Sometimes I just want to go see 18 Fred Astaire movies in a row and just forget about it.

Others manage to find strength and serenity in their affliction. Gerald lo Presti, a second tenor with the Gay Men's Chorus. was diagnosed as having AIDS in 1985. When crippling lesions spread to his vocal cords, Lo Presti had the lesions burned off and kept singing. When he could no longer sing the tenor range, he relearned all his

parts in bass three weeks before the season began. Still later, he insisted on a blood transfusion that would allow him to tour with the chorus. "He practically had to be held up," recalls Perry George, a member of the chorus, "but he sang radiantly." Two months later Lo Presti was dead at 33. Now George has AIDS. "It's been-how do I say this gracefully?-the best thing ever to happen to the interpretive powers in my singing. When you're told you have a year and a half to live, such things as sunsets, dahlias and solo singing recitals take on a whole new meaning.

At first awful glance, Edwin Flath looks to have been consumed by AIDS. Flath, founder and musical director of the California Bach Society Choral Group, is 57 but looks 87. His body, swathed in blankets, shakes with each terrible cough. But his parchment eyelids flutter open at the thought of his music. "I'm learning a new repertoire," he says when the coughing subsides. "Schubert, Beethoven and Brahms sonatas. Life and art are inseparable-you love it and you give it away." He rises from bed and slowly walks to his piano, sits and begins a short piece by Leos Jánaček. He opens the nearest win-

dow and begins playing with more authority, his eyes closed, his head thrown back, a hand poised dramatically to flourish over the keys. His eyes open again, and now they glow like coals from beneath the white ridges of his skull. At the finish, some color has returned to his face. "There is no ego now," he says. "For the rest of my life I hope to live with grace, make the best use of my talents and share them with others. That's the greatest joy of a musician."

For the 1,000 at last week's Ludlam tribute, there was joy and sadness in the final scene, from Ludlam's unfinished play Houdini. The master escape artist (to have been played by Ludlam) has been dead for a decade, but his wife Bess (Black-Eyed Susan) is forlornly trying to communicate with his spirit. She will try one last time with a medium named Dr. Saint (Quinton). They sit at a small table, hands joined; behind them is a blank screen. Nothing happens, and Bess sobs that she will never see her husband again. As she speaks, a huge image on the screen slowly comes into focus. It is Houdini-Ludlam!in chains, in a cage, staring out at them. She and the medium do not notice this spectral presence, and the lights fade on them, as the theater audience is held mesmerized in the gaze of the genius that was and might have been. But for AIDS. -By Richard Corliss. Reported by Mary Cronin/New York and Dennis Wyss/San Francisco

Books

Summer Reading

A seasonal fiesta of fiction for hammock, porch and beach

THAT NIGHT by Alice McDermott Farrar, Straus & Giroux 184 pages; \$14.95

for nough, too much, has already been said about boredom in the suburbs, especially in the early '60s." So speaks the woman who looks back on her years of growing up in a comfortable Long Island fringe of New York City. What she remembers is excitement, that night long ago dur-

ing her early adolescence when Rick Slater and a gang of his teenage friends drove up to a house across the street and tried to free Rick's girlfriend Sheryl from presumed imprisonment by the men in the neighborhood, including the narrator's father

None of the combat-



ants realized that they fought over deserted ground. Sheryl, discovering she was pregnant, had been whisked away: "For in these matters, it was well accepted at the time, the girl must disappear and the hoodlum boy never know." That Night, Author Alice McDermott's second novel, deftly balances the ravenous powers of young love against the shelters of community, security, the orderly progress of generations. In the aftermath of the episode that night, the parents in the neighborhood "had only begun to learn that while their love had been sufficient to form us, it would not necessarily keep us alive." Passions, in McDermott's striking prose, both murder and create.

CROOKED HEARTS hy Robert Roswell Knopf; 340 pages; \$17.95

playwright August Strindberg defined the family as an institution where selfrespect is smothered. A hundred years later Crooked Hearts provides abundant evidence for the prosecution. The Warrens are a Sunbelt household who make failure a way of life. The father, Edward, plummets from history teacher to instructor in driver's ed. When one of his sons drops out of college, that seems reason enough to get out the unseasonable Christmas lights and have a party. The other two boys soon grow uncomfortable in the

competitive world, and a sister concludes that her parents and siblings are "like ... a family of elves ... If one leaves, none of

the rest of us grow up." Wise child. The children's fatal interdependence provides the subject of this piercing first novel. Author Robert Boswell smoothly oscillates from third to first person, giving the principals a chance to confess and dream. The voices are wholly convincing, and Boswell's apercus provide psychological criticism, as when Edward unconsciously utters his own epitaph: "No one wants to hear about a good man being good. It's the failings people want to hear."

WHO KILLED PALOMINO MOLERO?

by Mario Vargas Llosa Translated by Alfred Mac Adam Farrar, Straus & Giroux 151 pages: \$14.95

W hen belles lettres authors go slum-ming on the detective shelf, the result often sounds like Pavarotti singing the St. James Infirmary blues: respectfully overpraised by critics but not quite right. The noted Peruvian novelist Mario

Vargas Llosa (Aunt Julia and the Scriptwriter) manages to avoid any such excessive resonance in his upper range in this spare mystery. Near a Peruvian air force base during the 1950s, a young airman is beaten, mutilated and murdered. There seem to be no clues, and the local air force commandant shows no interest in pursuing mat-



ters. The commandant and his daughter's fiancé are suspects; both despised the lowborn victim, who had been the daughter's lover. The daughter implies that her father was murderously jealous, and the father counters that the daughter is crazy. The trouble is not that the book leaves these complicated channels of guilt untraced but that it skips to its conclusion too quickly. The story has too little weight of detail. Brilliance can be tolerated, but tradition says a police story must plod; that is what those big black shoes are for.



CONTINENT by Jim Crace

Harper & Row: 138 pages: \$14.95

riters have invented villages, cities and even countries. But it seems overly ambitious to imagine an entire continent. Not for Jim Crace, who does so in seven arresting tales of tribalism in the 20th century that attracted raves when published in Britain last year. In deceptively plain prose. Crace concocts a skewed reality replete with fictitious flora, fauna and customs. Human nature remains unreconstructed. Chaotic police states, social scientists and Western industry impose their wills, with strange results. A lonely agent for a mining company goes mad and returns his mineral samples to their geological sources. A village is enthralled by electricity that turns destructive in the form of a runaway ceiling fan. In the best story an aging master calligrapher discovers that his shop signs have become the rage of the Western world. His former apprentice, says the artist. "is growing rich on the pickings from my wastebasket." A wise character in another story takes a broader view: "What is superstition but misdirected reverence? ... Unearth what is overvalued, amass it, and sell it at inflated prices.

MAJOR ANDRÉ by Anthony Bailey Farrar, Straus & Giroux 200 pages: \$15.95

The year is 1780. Sir Henry Clinton, commander of the British forces attempting to put down the rebellion in the 13 American colonies, has received a startling and welcome bit of news. General Benedict Arnold may be willing to betray the revolutionary cause and, in the bargain, to arrange for the surrender of his stronghold at West Point. Sir Henry needs

a liaison between himself and Arnold to conduct negotiations both delicate and possibly dangerous; the task falls to Clinton's adjutant. Major John André. Arnold's treason is a familiar story, but British Journalist Anthony Bailey retells it from an intriguing angle. Here

Bailey is the brave but unlucky major, captured, his mission exposed, awaiting his fate and talking to pass the time. He asks his American guards to consider the principles that governed his behavior: "It seems to me that it is a proper object in war, to take advantage of a rebel officer's desire to return to his proper allegiance, don't you think?" He

hopes, but does not beg, that his life

will be spared. His monologue ends abruptly, but not before conveying the memorable impression of a man who comes to peace with himself in a time of war.

PEARLS by Celia Brayfield Morrow: 592 pages: \$18.95

hat thriving thatched-cottage industry of Britain-writing very, very long romance novels-is carried on these days by a new generation of hard-fingered women with tea cozies, cats and killer word processors. Close in the wake of Sally Beauman's Destiny comes Celia Brayfield's first novel. Pearls. Brayfield's protagonists are the fabulous Bourton sisters: Catherine, the "Mona Lisa of Wall Street," and Monty, the international rock star, who wake up one morning to find priceless pink pearls under their pillows. What do the gifts mean? Can they have anything to do with the sisters' late father James Bourton, "the Suicide Peer," discovered at his desk with a "red mess where his head should have been"? Brayfield intercuts 40 years of well-researched backgroundfrom the rubber plantations of World War Il Malaya, where James went in as a boy and came out a man, to the Sassoon haircuts of 1965 London and the cocaine of today-to solve the mysteries of James' sad end and the girls' birth. Sisterhood is powerful in this passionate page turner, whose primary lesson is an angry one: don't cast your pearls before men, the swine.

A RELUCTANT HERO by Francoise Sagan

Dutton; 191 pages; \$16.95 t was strange, thought Alice, how little heatwave." Remarks like that, the hallmark of Françoise Sagan's simple, way-

light, because it is essentially hocus-pocus about oversexed Resistance workers in the early days of the German Occupation. Alice and Jerome, both bright, attractive and world weary, have a glum affair going. Seeking a hideout for their efforts to help Jews, they descend on his friend Charles.

who lives in a quiet town. Of course Alice falls in love with Charles: he is, after all, a man-child of nature who walks like an Italian beachboy. In the end, all three are separated by war. The trouble is that none of these people are believable as disciplined members of the underground. They are sensitive,



Sagan

spoiled Sagan characters, better at being bored than risking their necks. Out of their milieu, they remain oddly indistinct: when Charles admires one of Alice's frocks, she says, "It is a Gres ... or a Heim." A true Sagan heroine would damn well know her designer.

THE MAN WHO OWNED VERMONT by Bret Lott; Viking; 231 pages; \$16.95

he title of this first novel is a trifle misleading Rick Wheeler, an RC Cola salesman in western Massachusetts, owns very little except a tense marriage with



Paige, his wife of five years. In the past, after fights in their small apartment. Rick could escape by driving across the state line to Vermont, where Paige has never been, hence a place that he can claim as his alone. Now even that consolation seems pointless. Six months after her miscarriage, which has driven Rick into self-absorbed guilt and silence. Paige has moved out. The question of whether this marriage can or should be saved generates some suspense. More interesting, though, are the paces Author Bret Lott puts his hero through during the ordeal of wifelessness. Living without Paige and most of the furniture, which she took with her. Rick fills up his empty days by becoming a demon salesman. He is so good that he attracts the attention of his bosses. Yet he realizes that even with a promotion and a raise he will never be able to afford the life and the house that he and Paige have dreamed up to embody their future. Given every reason to surrender, he struggles on. The Man Who Owned Vermont is a vivid example of mind and spirit grappling with oppressive

PALE KINGS AND PRINCES by Robert B. Parker Delacorte: 256 pages: \$15.95

ike many a mystery writer. Robert B Parker is a former college English teacher who yearns to be taken seriously for his literary credentials while still shadowboxing within the tough-guy genre



tures merely portentous, longed for a return to the snarly, wisecracking style of Parker's earlier books and the ABC-TV series spin-off. Spenser

The dissenters' pleas are answered in Pale Kings and Princes, a wry and rowdy tale of a Massachusetts burg corrupted by drug money. The first-person narrative is a running comic diatribe against such targets as ignorant bartenders, hash-house cooking, thick-necked lawmen and macho, possessive Latin lovers. Most of the talk is badinage rather than wit, but it serves to deflate the pomp without completely devaluing the circumstance. Violence pervades the landscape, yet Parker always pauses to evoke compassion for the victims. And despite the ebullient entertainment, his purpose is as serious as ever: to remind readers that so-called victimless crimes generate huge amounts of cash, which can then be used to subornand victimize-the very political system that citizens rely on for protection.

BREAD AND CIRCLS hy Morris Renek Weidenfeld & Nicholson 323 pages: \$18.95

e was so synonymous with political graft that today William Marcy Tweed is recalled mainly by the sobriquet Boss. But Novelist Morris Renek knows that the bulbous, corrupt Tammany Hall leader was not merely a caricaturist's dream. He was an authentic 19th century figure with plans and desires-not all of them villainous. Bread and Circus imagines Tweed in his salad days, graduating from modest alderman to urban caliph. The campaigner swiftly learns to deny himself nothing, devouring vast meals, acquiring power at the expense of the citizenry, puffing like a beached whale as he sports in the percales with a period piece named Augusta Cordell, estrous wife of a society figure. Renek never whitewashes the Boss, but he adds another dimension to the celebrated Thomas Nast drawings of Tweed as a vulture a bloated moneybag and Falstaff. En route the author vigorously and accurately portrays his real hero: the city, with its teeming and angry slums, frantic mix of ethnic groups, riots. underworld schemers and high-level scandals, demonstrating that in New York, the more things change, the more they are the shame.

TO THE SARGASSO SEA by William McPherson Simon & Schuster; 461 pages; \$18.95

ailors once dreaded the blue Sargasso Sea, believing its gulfweed could entangle them forever. The protagonist of William McPherson's novel fears entrapment in other currents. Andrew MacAllister. 40. an American playwright, is lured by the danger of adultery while in London to open one of his plays. He feels "controlled by urgent signals other than his own." Later, when he and his wife Ann. "the couple on the wedding cake," are on vacation in Bermuda, he has a homosexual encounter and is shocked to find that his

McPherson's fine first novel Testing the Current, the young Andrew was an observer of adult mores: grown up, he is absorbed with words. They provide his life's structure but are

he seeks a wider world and a new language. Some fish in the Sargasso, not true

"slippery little things and costly too" McPherson

body continually horrifies him. In

swimmers, need its twisted mass for support: Andrew must trust that he is "lost in the weeds, but swimming." McPherson allows a few jarring coincidences to intrude. but his wise story of longing and limitations shows the disturbances that lie close beneath reflecting surfaces.

THE ELIZABETH STORIES by Isabel Huggan Viking: 184 pages: \$15.95

hose villains that first-time fiction writers pounce on and punish so often, Mom and Dad, are on the loose again. In this case they are Mavis and Frank Kessler, who live, with their only child Elizabeth, in a provincial town in Canada during the sanctimonious depths of the '50s. Dad's crime



starts with his genes. for his daughter cannot forgive the tall. stocky body she inherited from him, or the airs he gives himself as the town's bank manager Mavis' timid evasions and lingering aura of glamour are deep wounds to Elizabeth. the perennial gawky. dreamy child who

spends her time eavesdropping at the head of the stairs. These eight connected stories stake out familiar ground. But in writing about early adolescence. Huggan finds her own frank and vibrant voice. In Secrets, when Elizabeth discovers where her mother actually goes when pretending to visit a chiropractor, she possesses a real secret-not a scandal but something she can never reveal. Huggan freshly analyzes the earthworks of youth and offers unobtrusive twinges of nostalgia: Elizabeth is a girl who can see her latest emotional hafflement as a Playhouse 90 drama.

by Julian Barnes Knopf: 197 pages: \$15.95

To see oneself reflected in a work of fic-tion is an agreeable surprise. When the invention is as polished as Julian Barnes' Staring at the Sun, the encounter can be remarkable. Readers of Barnes' Flaubert's Parrot should be familiar with the experience ("Flaubert's Parrot, c'est moi," wrote one reviewer), though not all will be prepared to see themselves in a seemingly ordinary Englishwoman born in 1922 and apparently still alive when the novel ends in 2021. Jean Serieant's 100 years of comparative solitude are filled with humdrum facts and unprecedented fantasies, not the least of which is that in the 21st century she flies into the This adventure-or dementia-is prefigured in an arresting passage: flying at 18.000 ft., a World War II RAF pilot sees the sun rise. Dropping to 8,000 ft. and lowering his angle of vision, he sees the same daybreak twice. Barnes has the gift of making such events sound magical. Jean's unexceptional life-marriage to a policeman, divorce, menial jobs-also takes on a glow. Barnes artfully uses the commonplace to challenge the spiritual funk of the modern age. In unexpected ways he conveys that God, or something equally miraculous, is in the details

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Computers

Games That Grownups Play

Business machines loosen up and have a bit of fun

Join Cantrell, the chief financial officer of San Diego diving-suit manufacturer, has been known to drive ten miles to his office on a Saturday just to play Starflight on his 1BM Personal Computer. Jim Bonevac, a senior economist for the state of Virginia, likes to spend lunch hours playing APBA Baseball and other games

on his Leading Edge computer. Peter, a San Francisco marketing representative, uses lunch breaks to get in rounds of Mean 18 golf on an IBM PC Model. AT. although he feels guiltyenough about fooling around on the company computer to shut off the game the moment he hears the boss coming his way.

who said office computers. Who said office computers who said office to work! Machines designed to jugged equations would be said for work! Machines designed to jugged equations words and draw gapts are now also capable of bringing a little fun and adventure to the corporate routine—either after hours or on the sty during the workday. Of the 15 million personal-computer games sold in the US last year, according to Ingram Software, a leading same distributor, nearly 40%.

were designed for the most popular basis measurements machines the IBM PC, the Apple Macintosh and such IBM-compatible Macintosh and such IBM-compatible and Tandy. In 1985, by contrast, only about 15% of the games sold would run on business computers. When 750 U.S. executives were polled by Epsy, creator of the polled by Epsy, creator of t

suits." Traditionally, game publishers steered away from business computers. Games that ran well on Atari or Commodore machines could not be easily adapted to the IBM PC, primarily because it did not come equipped with a joy sike. The more versatile Macintosh was the more versatile versa

written entertainment programs.

More important, software companies feared that games writ-

ten for business computers would not sell.
"The general thinking was that the average player was a 17-year-old geek with pimples who wanted to blow up spaceships," says Chris Crawford, a former game designer at Atari who now writes programs independently for both business and home computers. "Publishers are just

Contract DA villa Project Special Spec

in the U.S. last year, according Balance of Power: countering the global Soviet threat to Ingram Software, a leading Not just for geeks with pimples who want to blow up spaceships.

beginning to realize there is another market out there."

To exploit that market, software houses are buy developing adult-oriented games that are more sophisticated than Pac-Man and Donkey Kong and can be played as easily on a keyboard as with only stick. Programmer Crawford's current best seller, for coarmente, is Mindscape's consistent of the company of the programmer of the company of th

companies feared that games writ- Mean 18: lining up a shot to the green with a simulated 3 iron

clear war. In Starflight by Electronic Arts (549 95), players explore some 270 star systems and 800 simulated planets, zapping aliens all the way. Infocom has even come out with an "R-rated" adventure game called Leather Goddesses of Phobos (153495 to 539 95), which features a band into their "private pleasure palace". The game can be played at three levels: tame, suggestive and level.

Many of the top-selling games for business computers are based on adult pastimes. In Accolade Inc.'s Mean 18 (\$44.95

to \$49.95), armchair golfers can hit a sand trap or score a hole in one without ever stepping into the hot sun. Software Toolworks' popular Chessmaster 2000 (160,000 copies sold at \$40 to \$45) challenges players in up to 20 different levels of difficulty from novice to grand master The classic of business-computer games is Microsoft's Flight Simulator (\$49.95), which puts Walter Mitty pilots in the cocknit of a Gates Leariet or a Cessna 182. During the past five years, more than 500,000 copies have been sold.

Computer buffs maintain that managers should be tolerant of employees who want to sneak a small amount of computerized relaxation into their workday. Stewart Alsop, a computer columnist for PC World.

argues that game playing can seven sa a "decompressan" for people aught up in the corporate rait race. As he pust it. "You get all bollixed by, you play a game, it clears your mind, and you start over again." One executive who agrees is David Winer, president of Living Videotext, a software publisher that does not put out games." I don't want my employees playing all day, he says. "but I certainly don't object to occasional play. We have coffee breaks?"

Knowing that most bosses might take a different view, software companies have equipped many games with a "panic button." When the boss approaches, a player can hit a single key, thereby stopping the game instantly and bringing rows of businesslike figures to the screen. Such a feature is available on every game produced by Les Crane, a popular TV talk host of the '60s turned software publisher who brought out Chessmaster 2000. Says he: "I hate to think we're seriously hampering the productivity of America. But, on the other hand, what the heck! - By Philip Elmer-De Witt. Reported by Linda Williams/New York and David S. Wilson/Los Angeles

Milestones

ARREST WARRANT NULLIFIED. For Archbishop Paul Marcinkus, 65, head of the Vatican Bank who had been charged by Italian authorities as an "accessory to fraudulent bankruptcy" in the 1982 collapse of Banco Ambrosiano, Italy's worst postwar banking scandal; by the country's highest tribunal, the Court of Cassation; in Rome. In voiding arrest warrants for the Cicero. III.-born prelate and two senior Vatican bank officials, the court ruled that the 1929 Lateran Treaty, which recognizes Vatican City as a sovereign state, protects "central bodies" of the church from "every interference" by the Italian government.

SEPARATED. Peter Jennings, 48. dapper anchor of ABC-TV's World News Tonight: and Kati Marton, 38, author of Wallenberg and An American Woman; after eight years of marriage, two children; in New York City.

SEEKING DIVORCE. Sylvester Stallone, 41. blood-and-guts, hero-as-underdog actorproducer whose Rocky and Rambo films have grossed more than \$1 billion; and Brigitte Nielsen, 24. statuesque (6 ft.) Danish model and actress (Red Sonia, Beverly Hills Cop II); on the ground of irreconcilable differences; after 19 months of marriage; in Los Angeles

DIED. George William ("Fritz") Holt III. 46. co-producer of the Broadway smash La Cage aux Folles (now in its fourth year) and the 1974 revival of Gypsy; of complications from pneumonia; in Montclair. N.J. Holt also staged last month's 100th birthday salute to Showman George Abbott

DIED. Dr. Thomas Waddell, 49, Olympic decathlon competitor in 1968 and founder in 1982 of the quadrennial Gay Games, a seven-day athletic contest; of meningitis related to AIDS; in San Francisco

DIED. Peter Gimbel, 59. adventurous underwater photojournalist who filmed documentaries on the great white shark (Blue Water, White Death) and on the sunken Italian luxury liner Andrea Doria, including the 1984 opening of the vessel's safe on live TV; of cancer: in New York City. Scion of the family that founded the Saks Fifth Avenue and Gimbels department stores. Gimbel left investment banking in 1960 to pursue a fascination for what he called obscure environs

DIED, Nathan Perlmutter, 64, national director of the Anti-Defamation League of B'nai B'rith since 1979: of lung cancer: in New York City. Born of Polish immigrant parents. Perlmutter originally joined the A.D.L. in 1949 to handle civil rights operations in Denver. Last month he was awarded the Presidential Medal of Freedom, the nation's highest civilian honor, by Ronald Reagan, who cited "his life work to champion human dignity

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TIME JULY 27, 1987

Food



Buyers in search of fall-sales winners crowd the Manhattan show

Fancy Is as Fancy Does

New taste fashions for the gourmet trade

There was chokingly sweet carrot but-ter, which the manufacturer claimed makes men think "they have died and gone to heaven." Also sour-sweet and me-tallic-tasting salad dressings "designed" by Gloria Vanderbilt and fool-the-eye chocolate Buffalo chicken wings packed with a container of blue-cheese din Something called Cowboy Caviar, made in California, was based on an old recipe for a Russian eggplant appetizer; and Le Brut d'Escargot, from France, proved to be ghostly, ghastly white snail's eggs that tasted like salty paregoric

These were only a few of the specialties on the bizarre menu introduced to buyers for gourmet grocery stores at the 33rd Annual International

Fancy Food and Confection Show, held last week at New York City's Jacob K. Javits Convention Center. As the estimated 30,000 visitors shopped their way around 400,000 sq. ft. of floor space, eveing and often sampling the wares of 729 exhibitors, it was clear that a marathon peripatetic nosh was under way. Looking for products that will tempt big consumer dollars this fall, the professional shoppers lined up with a fine impartiality, tasting almost everything they encountered en route, whether it was the finest Scottish salmon and Italy's best Parmigiano-Reggiano or dismal Aussie Pie, which was baked and frozen Down Under with its bland beef filling in a

crust much like damp shirt cardboard. Other beguilements included ham, salami, cheese and dozens of honeyed mustards, which, along with the oozing emulshow. Many tasters found la dolce vita by way of ricotta-filled pastry by the Cannoli Factory, and most headed for the booth of Parón Chocolatier to see the first-prize winner among new products (awarded by the show's sponsor, the National Association for the Specialty Food Trade). A visit to Paron meant risking sugar shock because the blue-ribbon concoction turned out to be Eve's Revenge, an obscene and hefty perversion consisting of a Washing-

sions that passed for salad dressings, were the most characteristic products of the ton State apple thickly coated with caramel and chocolate and encrustations of coconut or nuts

There were many displays offering salads ready-made for restaurants and food stores, to stock their "homemade" salad bars. Can't Budge Fudge zapped peanut butter with chocolate for a truly throat-clutching effect, and the Beverly Hills Confection Collection dished up samples of brittle with rancid-tasting peanuts. Everywhere were products for the health- and diet-conscious: "lo" in salt, sugar, calories and fat, and "lite," meaning anything one wanted it to. Sweet, as usual, seemed to be the top flavor. Perhaps as Americans give up salt, they reach for sugar, figuring that one gritty white seasoning is as good as another. Finding anything worth eating in this

morass of haute junque proved as difficult as avoiding thorns among roses. Still, there were a few honest and tempting candidates that rate consideration for fall shopping lists. The most esoteric and intriguing are caper berries from Spain. which have the same piquant tingle as the smaller, more familiar caper. Attached to their stems, these berries could become the status garnish of the year, perhaps replacing olives or lemon twists in martinis. Finnish bakers have a way with malty, palate-scrubbing sourdough rye crisp breads: the latest welcome entry is Kings Bread, crackling thin and cut into elegantly long and narrow shapes. No less delicious and even more delicate are the translucent golden Swiss Cocktail Wafers made by HUG, equally good seasoned with caraway or cheese.

Those who like it hot should be more than satisfied with the incendiary Caiunstyle blend of black and cayenne peppers, herbs and spices in Blackened Spice Marinade, from Taylor Maid in Jackson, Miss. The powdered mix works its fiery magic on

burgers, grilled chicken and shrimp. And if that is not hot enough, munch on crunchy "red hot blue" corn chips from Garden of Eatin' in Santa Monica

Those who like it sweet can indulge in the downhome flavor of pecan-butter brittle confected by Buckley's Candies of Louisiana. Sophisticated and pricier are some imports from Belgium: Le Chocolatier Manon's bittersweet chocolates filled with mandarin orange liqueur and burnt caramel. Even more stunning is its big marbleized chocolate scallop shell that holds nine chocolate praliné fruits de mermussels. crayfish shrimp-a dessert that delights the eye as much as the

palate.

Solution for Soggy Cereal

riched, fortified and colored. but one aspect of dry cereal has not changed: it gets stale soon after you open the package. Rea-

son: the linings that are supposed to keep cereal fresh in the box are all but useless. As Tony the Tiger and his fellow cereal lovers know. the bag is difficult to open, easily ripped to shreds and nearly impossible to reseal. Fresh packaging



An apparent solution to

flakes and raisins

stay fresher and

tastier in the new-

style packaging, the

company may put

its other brands in

plastic

this age-old problem is now at

hand. General Foods has in-

People

"All I did was get lost." says Douglas ("Wrong Way") Corrigan of the 1938 navigational blooper that earned him a place in aviation history. Leading a parade last week in Hempstead. N.Y., to mark the 50th anniversary of the nearby Cradle of Aviation Museum. the chipper Corrigan, now 80, accepted an altimeter symbolizing his famous flight. The young airplane mechanic took off from Floyd Bennett Field in New York City, heading for California in his rickety Cur-



This time he took the train

tiss monoplane. With nothing guiding him save his taste for adventure and his temperamental compass. Corrigan landed some 28 hours later in what he thought was Los Anhe hopped from the

"By the way. where am I?" The Irish brogues of the mechanics puzzled swarming around the airplane informed him he was in Dublin. 6,000 miles off course. "I got up in the clouds and flew the wrong way," explained Corrigan, blaming a stuck compass. The folk hero, who now lives in Santa Ana. Calif... gave up his pilot's license 15 years ago. This time, to be sure he would make it back to New York. Wrong Way took the

Their mission will still be "to boldly go where no man has gone before. but when the Paramount TV series Star Trek: The Next Generation blasts off in October, don't expect to see Captain Kirk, Mr. Spock or any of the old crew at the blinking controls. Set in the 24th century, 76 years after the original series, the refitted Enterprise will feature. along with new sets and special effects, a fresh crew, including a blind lieutenant, a superstrong android, a half-human, half-Betazoid female counselor, and a captain named Jean Luc Picard, played by British Actor Patrick Stewart, 46. "He is a bit older and wiser than Kirk." Stewart observes of his character. "But like Kirk, he is strongly inde-

pendent and something of a legend as an explorer." One of the few returning veterans is Executive Producer Gene Roddenberry. Says he: "The show will deal with problems that have arisen during the past two decades. such as terrorism and drugs." Roddenberry is firm about one point: the new Trekkers will never reveal what finally happened to the old crew. Could it be the Klingons won the war?

"There was something special about her, a luminous quality to her face, a fragileness geles. "I've just flown from combined with astonishing vi-

"This girl was going places"

places." So mused a young photographer about the girl he found working in a factory near the end of World War II. Credit David Conover with an unerring eye, because his discovery was to become Marilyn Monroe, In June 1945, Conover, then an Army photographer stationed at the Hal Roach Studio in California, was sent by his commanding officer. Captain Ronald Reagan, to take promotional shots of women doing war work. The allure of Norma Jean Dougherty, 19, attaching propellers to model aircraft at the Radioplane Corp., prompttouring the Mojave Desert with the young beauty and teaching her some modeling techniques. Conover returned late from his leave and was shipped out to the Philippines. The film, sent to a friend to be developed, was lost, except for ten photos that appeared in Conover's 1981 book Finding Marilyn. Conover died last year, and the negatives of the original pictures from his book, along with 15 unpublished transparencies. are expected to fetch up to \$32,000 when they are auctioned at Christie's in London on Aug. 28. Monroe's kind of vibrancy still astonishes.

"He never tires of the great flood of paper rushing in upon him. None of the rest of us can imagine surviving the demands of such a career. Shawn flourishes." So wrote Brendan Gill a decade ago of longtime New Yorker Editor William Shawn, whose endless capacity for work and relentless curiosity helped fashion that magazine into a weekly mine of essay, fiction and humor. But last spring, after serving 35 years as editor. Shawn, 79, was ousted by the magazine's new owner, S.I. Newhouse of Condé Nast. Many thought Shawn's career was over. Not so. At the invitation of President Roger Straus Jr., Shawn is moving to Farrar. Straus & Giroux, one of the few re-

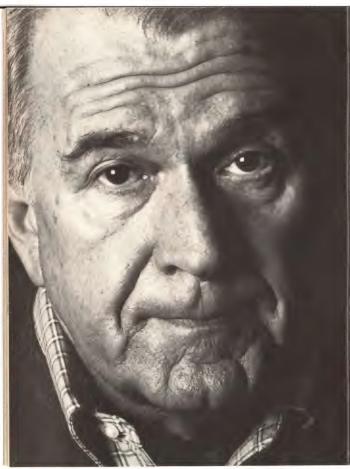
maining independent publishing houses, as an editor. "Roger Straus and I hope to work out an arrangement such as the one described." Shawn says. "I have agreed to edit three or four books on an informal, friendly basis" Does Straus believe he has pulled off a publishing coup? "You bet I do." he says. adding that he would like Shawn to stay on "as long as he is happy. May it be a thousand

- By Martha Smileis. Reported by David E. Thigpen/New York

years.

The new generation: Star Trek's crew looking toward the next frontier





Hank's income just retired.

It didn't come as a surprise.
Because it retired when he did.
But it meant a big adjustment.
The lifestyle Hank and his
wife enjoyed had depended on
his income. It's tough going out
to dinner on a gold watch.

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Two sides of the Bolshol repertory: Semenyaka and Fadeyechev in Raymonda, left; Mukhamedov flying in The Golden Age

Dance

Bolshoi Lords Aleaping

But questions arise about the company's balance

Mescow's Bolshoi Ballet is roaring scross America for the first time in eight years, the grandest event on the 1987 dance calendar. Indeed, with the spirit of *Jeanness Hourishing* and international artistic exchange becoming commented to the service of the performances on the four-city circuit (New York, Washington, San Francisco, Los Angeles as neglicially self out. At the Metropolitan Opera-cally self-out.

checks. Arguments among balletomanes about whether the company lives up to its legend are steamier than Manhattan sidewalks. Bolshoi means big, and this bravura ensemble virtually defines it.

Its veteran director, Yuri Grigorovich, 60, has a new generation of dancers to show off. Only a handind of the principals on the company's 1979 visit returned, including mentrous (Grigorovich's wife, who was sidelined almost at once by a leginjury) and Lyudmila Semenyaka. Equally important, after 23 years at the helm, Grigorovich is presenting world's largest and most celebrated ballet company ought to be.

The cliché goes that the Bolshoi aims for outsize spectacle and athletic feats. If some vulgarity creeps in-well, that's show biz. If you want pure artistry, go to Leningrad and see the Kirow I'you want to explore classicism stretched into infinity, catch the New York City Ballet. What the Bolshoi does best now is Grigorovich's signature ballets, the socialist-realist works like Spuraceus and The Golden Age that dramaters are the socialist-realist works like Spuraceus and The Golden Age that dramaters command extraordinary energy and seem in total, avid sympathy with the choreographer. Unfortunately, American audiences may find these mighty pagarants simplistic. The silent-filling primaces.

Looking to the future: Ananiashvill and Liepa



the cartoons of good and evil, the battle cries hurled soundlessly into the air can all be a bit quaint, unless one is willing to forget everything that Balanchine and Tudor accomplished and enter this brave old world wholeheartedly.

But the Bolshoi has a potent secret weapon. The major revelation of the tour is the U.S debut of Frek Mukhamedov, 72, a thrilling performer whose presence almost legitimizes all the excesses of Soviet callam. Perhaps the best offering in the realism. Perhaps the best offering in the work of the perhaps th

rushing downstage to the footlights in an embodiment of bloodlust. But he is no caricature. Mukhamedov's manner is actually diffident, almost impersonal, and this modesty adds a human, even modern, scale that counterbalances his explosive feats.

Grigorovich's choreography focuses on men, and the Bolshoi male dancers are superb. Several young corps de hallet members seem ready to break into solo or starring roles. There is no classical stylist as elegant as Vyacheslav Gordevey, who, with his partner and then Wife Nadezhda Pavlova, burnished the memory of the 1979 visit, But Andris Liepa and Alexei Fadeyechev (both of whose fathers were famous Bolshoi dancers) are fine performers and superior partners, and Alexander Vetrov stole several shows with his marvelous, scenery-chewing character roles.

But there are troubling aspects to the 1987 Bolshoi, and they show when the company strays from its bread-and-circuses repertory. For one thing, the women are not nearly so satisfying as the men, and their level of dancing has deteriorated in recent years. The bewitching Semenyaka, 35, is exquisite as Giselle but elsewhere pushes her allegro technique almost frantically, so that she sometimes approaches self-parody. The second-tier ballerinas, too, were wound up clocktight, dancing with silly speed in which detail gets lost and charm obliterated.

Classical ballets, which must be carried by women, have not been enhanced by Grigorovich. He has streamlined Raymonda, a Petipa fantasy that is long on courtly pomp and trickle-thin on plot. His new version de-emphasizes what story there is, cuts down on mime and presents the heroine not as a medieval princess but as just another glamorous ballerina. One of the small satisfactions of the old fulllength ballets is the way they illustrate good manners and elevate them into grace. In the Kirov's Raymonda, for example, the heroine is delicately escorted by friends and courtiers. At the start of the famous dream sequence, she is seated in a handsome chair. In this version, the princess's friends do their solo turns and scarcely look at her. Worse, she falls asleep leaning against a pillar

It is ironic that while Grigorovich labors to cut back on mime and gesture, his countryman Mikhail Baryshnikov emphasizes them in his American Ballet Theater productions, particularly this year's stylish The Sleeping Beauty. Oddly, it seems as if the Soviet does not trust the tradition that is his natural legacy. (His new restaging of Giselle is better than Raymonda, but even here he has added a martial element.) Similarly, Grigorovich has let the ideal of the ballerina languish. Some of the women in important roles have little idea of how to present themselves. There are no equivalents to the Bolshoi's talented young males. Partly this may be bad luck; the Kirov right now seems to have the more promising young female dancers. There is no one at the Bolshoi who compares with Altynai Asylmuratova, the Kirov's astonishing young star, or for that matter the New York City Ballet's Darci Kistler or Kyra Nichols.

Still, New York audiences took one new ballerina to their hearts, and they were right. Though not a technical whiz, Nina Ananiashvili, 24, has a lovely, sensuous line, strong feet and a crisp attack. She is also, ineffably, an old-fashioned girl whose spirit summons the perfumed kingdoms of ballet. The most important advantage she has happens to be young Liepa, 25, her frequent partner. Fair as she is dark. he is attentive, handsome and gallant. By keeping things simple and performing on a common impulse, the pair gave several performances that were more satisfying than their showier elders'. At least in the context of this tour, they seemed to reassert values that the Bolshoi would do well -By Martha Duffy to remember

Cinema



Flint Beastwood: the bionic bobby strikes a blow for justice

The Soul of a Blue Machine

ROBOCOP Directed by Paul Verhoeven Screenplay by Edward Neumeier and Michael Miner

S end this man of steel out to terminate the Terminator. He's clean and lean. with the soul of a blue machine-an incorruptible, indestructible cop. Shoot him and he barely gets dented; bribe him and he turns you in. With a gait as clangorous as "Duke" Wayne's, he walks down the mean streets of tomorrow's Detroit, scaring felons with the cool metallic whisper: "Your move, creep." Who is this electronic enforcer? Flint Beastwood? Not quite. Because somewhere inside his mind's computer circuitry, images linger: of a smiling wife, of an adoring son, of the too human policeman he once might have been. Before he became . . . RoboCop.

This movie is a handsome machine too, but with a dark, cynical streak. Robo-Cop means business-Big Business. Its plot describes a marriage of venality between psycho punks and white-collar killers, to rule a city in the near nightmare future. One exec (Ronny Cox) has devised a robot, ED 209, to patrol the streets, but ED is too slow in the brain and too fatally quick on the draw. So another schemer (Miguel Ferrer) assembles the spare parts of a mangled policeman (Peter Weller). fuses them with some state-of-the-art plumbing and creates a bionic bobby. For a while. RoboCop works much better. Can't be trusted, though. Has feelings and, maybe, a mind of its own

For just \$13 million, Executive Procer Jon Davison (Airplane!) has put together a sci-fi fantasy with sleek, highpowered drive. And Paul Verhoeven, the Dutch director (Soldier of Orange) making his Hollywood debut, has polished the look of the film until it is seamless and pretty near soulless. Hubcaps slice off a speeding car like saw-toothed Frisbees, and gruesome death is just another way of saying "That's life." No wonder the film was almost rated X for violence; it is crazy in love with the imagination of disaster. It wants to caress the special effect of one man whose hand has been blown off, and send another crashing in loving slo-mo through the window of a 95th-floor executive suite. RoboCop blows up real good.

And the performances match the tone. Cox and Ferrer are two sides of the

same counterfeit corporate coin, and Kurtwood Smith (the most prominent punk) is one baaad malefactor. Weller, as the one good gunslinger in town, manages to convey emotion through the merest slit in his helmet. But the film is less an actors' showcase than a smart, grim satire. The only TV program to be seen is a slapstick variety show. Commercials peddle the 6000 SUX, the car of the future that brags about

getting only 8.2 m.p.g., and a holocaust home-video game called Nukem. Giggly

anchors read news flashes about, say, a Star Wars misfire that totaled Santa Barbara and killed two ex-Presidents Nobody wants every adventure picture to be as tame as a Spielberg cuddly toy. But RoboCop's pleasures are cold comfort. The thrills it elicits could have been generated by a very bright computer. The laughter it provokes catches in the

throat like a nettle from the bottom of a

popcorn box.



Unmasked!

By Richard Corliss

Essay

Ollie North and the Trajectory of Fame

Of the many measures of fame, one of the more useful is the injury-report index. A star makes the papers by dying. A superstan read only be hospitalized: when Sinatta's diverticula act up, you know about it. Higher up the celebrity scale are stars of a magnitude for which we have no adequate word and for whose and Persidents, for example. Two weeks ago Ronald Reagan incurred a "small, red bump" on his eyelid (caused by a contact learn), you could read about it on page of the Washington Post. A classic of the genre is an item that ran in the New York. Timera characteristics and the properties of the part of the washington Post. A classic of the genre is an item that ran in the New York. Timera example.

Today and for at least 15 more minutes, Olie North is in that class. If he were to sustain a paper cut, presses would stop, His rise proves once again that by far the most interesting and mysterious American institution is not the National Security Council or the congressional investigation but celebrityhood. Olie North was made, as Gary Hart was numade, in less than a week. Only

in America can a man be created between two Sabbaths. And not just the man but the cult. The gavel has barely fallen on the last senatorial reproach to North and we already have Ollie dolls, an Ollie video, the "Ollie cut" and Ollie songs (Hooray for Olliewood, Ollie 8 Good!

This has offended many deep thinkers. Proclaid constitutional questions of official secrecy, separation of powers, chain of command and the like were highlighted by North's teatilities which was been as the process of the control of the masses have lost sight of the in Olliemania. But these questions have hardly been neglected. For the past eight months the country's op-ed pages have conducted a national seminar on the process of the past of the

for whom the past month of conservative discomfiture had been a time of gle. They are dismayed that the country will not focus on important matters, say, on whether the presidential finding authorizing the Israeli second arms shipment was in compliance with the Hughes-Ryan amendment. Such matters, often referred to as the "facts," are overlooked while the nation itseis in Oille's hair, his uniform, his smile, his glint, his hound-dog eyes and his particle is speeches. Millions swoon. The sophisticates despair.

The congressional committees in particular were stunned by the media monster they created. Fitting punishment for their hypocrisy: first, the committees create a courtroom drama, complete with sharp lawyers shredding hapless witnesses on live television; then the committees complain that America has been captivated by a witness's manner instead of concentrating on his words and deeds. Can't have it both ways. Turn an inquiry into a spectacle and you cannot protest that the audience is insufficiently attentive to the transcript. The Iran-contra committees could have modestly pursued their business off-camera, as did the Tower commission. No secrecy necessary-the entire record could have been made public at the close of the investigation. Then there would have been no Ollie-only Colonel North, the slightly disreputable, if not discredited, "switching point" (Poindexter's phrase) of the political scandal of the decade. Instead we have Ollie. Having created him, how to account

for him? Pick your theory; depressed country looking for hero, underdog hounded by gray-flanneled Congressmen, commando abundaned by his White House superiors, all-American boy put upon by hippie (Nields), then big-shot N.Y. lawyer (Liman), etc. But before his great American celebrity machine, which marries But before his great American celebrity machine, which marries are considered to the property of the prop

Which is why not just those dismayed but also those cheered by Olliemania are missing the point. True, most polls show for the first time contra supporters drawing even with contra opponents. But Olliemania has about as much usable political content as Jazzercise. The contra poll reveals not a surge but a blip. Ollie's popularity, like that of his President, was not built of "is-

sues." Critic David Denby, in a grumpy review of "Oilie North, the Movie" for the New Republic, theories that Oilies wild popularity is attributable to his perfect—i.e. all-American but ambiguous—Hollywood face. Fine, grant the premise. But if you do, you are confirming that what we et dealing with is not a political but a cultural, perhaps an anthropological phenomenon. Those who think Oilie-fundamenon. Those who think Oilies with the properties of the prop

Mhat happens now to Olliemania? Senate Committee Chairman Daniel Inouye asked the question obliquely in his farewell address to North at the conclusion of day six. With perhaps a touch of irony—it is hard to tell with the dour Senator—he wished the new

ly minted hero and his lady well, as they set off into the sunset. Nowadays what lurks beyond the sunset is the floodlit plain of American celebrityhood. Where do—where can—Olie and wife go from here? The movies end with a fade because to show what follows is to demystiff, what precedes magine Gary Cooper and Grace Kelly raining chickens and changing Gary Cooper and Grace Kelly raining chickens and changing the cooper and Grace Kelly raining chickens and changing the cooper and Grace Kelly raining thickens and changing the cooper and changing the changing the cooper and changing the ch

There used to be no cure for the ennui of the returned hero. Now there is and it is worse than the disease. It is celebrityhood. Last winter a Washington radio station began a news roundup with this "De OlMaggio, baseball hall of famer, fromer husband of Marilyn Monroe, and also Mr. Coffee, had surgery today." Hero status, unless arrested by artistic device (the fide-out) or tragedy (an early death), decays. There is a trajectory to fame, and it points downward.

Into the hearings went Colonel North and out came Ollie. He had defeated the committees. But he did it at a price. His fans' telegrams will have to be answered. Valvoline will try to rent his face. His surgeries will forever be reported. He has become Ollie. Now he has to live it. — By Charles Karathammer.







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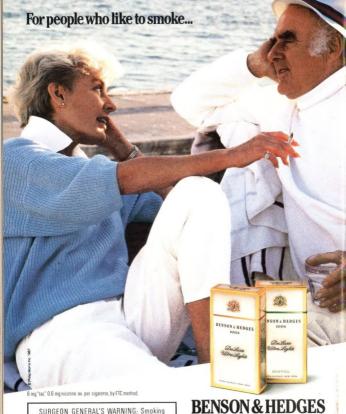
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